

Union Calendar No. 53108TH CONGRESS
1ST SESSION**H. R. 1588****[Report No. 108-106]**

To authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2004, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2003

Mr. HUNTER (for himself and Mr. SKELTON) (both by request) introduced the following bill; which was referred to the Committee on Armed Services

MAY 16, 2003

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italics]

[For text of introduced bill, see copy of bill as introduced on April 3, 2003]

A BILL

To authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2004, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “National Defense Au-*
 3 *thorization Act for Fiscal Year 2004”.*

4 **SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF**
 5 **CONTENTS.**

6 (a) *DIVISIONS.*—*This Act is organized into three divi-*
 7 *sions as follows:*

8 (1) *Division A—Department of Defense Author-*
 9 *izations.*

10 (2) *Division B—Military Construction Author-*
 11 *izations.*

12 (3) *Division C—Department of Energy National*
 13 *Security Authorizations and Other Authorizations.*

14 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 15 *this Act is as follows:*

Sec. 1. Short title; findings.

Sec. 2. Organization of Act into divisions; table of contents.

Sec. 3. Congressional defense committees defined.

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- Sec. 123. Multiyear procurement authority for Virginia class submarine program.*
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Sec. 3541. Authorization of appropriations for Maritime Administration for fiscal year 2004.

Sec. 3542. Authority to convey vessel USS HOIST (ARS-40).

1 **SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.**

2 *For purposes of this Act, the term “congressional de-*
3 *fense committees” means—*

4 *(1) the Committee on Armed Services and the*
5 *Committee on Appropriations of the Senate; and*

6 *(2) the Committee on Armed Services and the*
7 *Committee on Appropriations of the House of Rep-*
8 *resentatives.*

9 ***DIVISION A—DEPARTMENT OF***
10 ***DEFENSE AUTHORIZATIONS***
11 ***TITLE I—PROCUREMENT***
12 ***Subtitle A—Authorization of***
13 ***Appropriations***

14 **SEC. 101. ARMY.**

15 *Funds are hereby authorized to be appropriated for fis-*
16 *cal year 2004 for procurement for the Army as follows:*

17 *(1) For aircraft, \$2,194,585,000.*

18 *(2) For missiles, \$1,594,662,000.*

19 *(3) For weapons and tracked combat vehicles,*
20 *\$2,197,404,000.*

21 *(4) For ammunition, \$1,428,966,000.*

22 *(5) For other procurement, \$4,321,496,000.*

23 **SEC. 102. NAVY AND MARINE CORPS.**

24 *(a) NAVY.—Funds are hereby authorized to be appro-*
25 *priated for fiscal year 2004 for procurement for the Navy*
26 *as follows:*

1 (1) *For aircraft, \$9,050,048,000.*

2 (2) *For weapons, including missiles and tor-*
3 *pedoes, \$2,529,821,000.*

4 (3) *For ammunition, \$963,355,000.*

5 (4) *For shipbuilding and conversion,*
6 *\$11,472,384,000.*

7 (5) *For other procurement, \$4,614,892,000.*

8 (b) *MARINE CORPS.—Funds are hereby authorized to*
9 *be appropriated for fiscal year 2004 for procurement for*
10 *the Marine Corps in the amount of \$1,154,299,000.*

11 **SEC. 103. AIR FORCE.**

12 *Funds are hereby authorized to be appropriated for fis-*
13 *cal year 2004 for procurement for the Air Force as follows:*

14 (1) *For aircraft, \$12,604,451,000.*

15 (2) *For ammunition, \$1,324,725,000.*

16 (3) *For missiles, \$4,348,039,000.*

17 (4) *For other procurement, \$11,376,059,000.*

18 **SEC. 104. DEFENSE-WIDE ACTIVITIES.**

19 *Funds are hereby authorized to be appropriated for fis-*
20 *cal year 2004 for Defense-wide procurement in the amount*
21 *of \$3,734,821,000.*

22 ***Subtitle B—Army Programs***

23 **SEC. 111. STRYKER VEHICLE PROGRAM.**

24 (a) *LIMITATION.—Of the funds authorized to be appro-*
25 *priated under section 101 for procurement for the Army*

1 *for fiscal year 2004 that are available for the Stryker vehi-*
2 *cle program, not more than \$655,000,000 may be obligated*
3 *until—*

4 *(1) the Secretary of the Army has submitted to*
5 *the Deputy Secretary of Defense the report specified*
6 *in subsection (b);*

7 *(2) the Secretary of Defense has submitted to the*
8 *congressional defense committees the report and cer-*
9 *tification referred to in subsection (c); and*

10 *(3) a period of 30 days has elapsed after the date*
11 *of the receipt by those committees of the report and*
12 *certification under paragraph (2).*

13 *(b) SECRETARY OF THE ARMY REPORT.—The report*
14 *referred to in subsection (a)(1) is the report required to be*
15 *submitted by the Secretary of the Army to the Deputy Sec-*
16 *retary of Defense not later than July 8, 2003, that identifies*
17 *options for modifications to the equipment and configura-*
18 *tion of the Army brigade designated as “Stryker brigades”*
19 *to assure that those brigades, after incorporating such modi-*
20 *fications, provide—*

21 *(1) a higher level of combat capability and sus-*
22 *tainability;*

23 *(2) a capability across a broader spectrum of*
24 *combat operations; and*

1 (3) a capability to be employed independently of
2 higher-level command formations and support.

3 (c) *SECRETARY OF DEFENSE REPORT AND CERTIFI-*
4 *CATION.—The Secretary of Defense shall transmit to the*
5 *congressional defense committees not later than 30 days*
6 *after the date of the receipt by the Deputy Secretary of De-*
7 *fense of the report of the Secretary of the Army referred*
8 *to in subsection (b), the modification options identified by*
9 *the Secretary of the Army for purposes of that report. The*
10 *Secretary of Defense shall include any comments that may*
11 *be applicable to the analysis of the Secretary of the Army’s*
12 *report and shall certify to the committees whether in the*
13 *Secretary’s judgment fielding the fourth Stryker brigade as*
14 *planned by the Army in a different configuration from the*
15 *first three such brigades will fulfill the three objectives set*
16 *forth in subsection (b).*

17 (d) *AUTHORIZED USE OF REMAINDER OF FUNDS.—*
18 *The funds authorized to be appropriated for procurement*
19 *for the Army for fiscal year 2004 that are available for the*
20 *Stryker vehicle program and that become available for obli-*
21 *gation upon the conditions of subsection (a) being met shall*
22 *be obligated either—*

23 (1) *to develop, procure, and field equipment and*
24 *capabilities for the fourth Stryker brigade combat*
25 *team that would accelerate the options for modifica-*

1 *tions to enhance Stryker brigades identified in sub-*
2 *section (b); or*

3 *(2) for the equipment identified in the fiscal year*
4 *2004 budget request to be procured for the fourth*
5 *Stryker brigade, if the Secretary of Defense, after re-*
6 *viewing the Secretary of Army's report under sub-*
7 *section (b), determines that the current configuration*
8 *of the fourth Stryker brigade meets the criteria in*
9 *paragraphs (1) through (3) of subsection (b) and cer-*
10 *tifies to the congressional defense committees that the*
11 *equipment identified in the fiscal year 2004 budget*
12 *request to be procured for the fourth Stryker brigade*
13 *provides those capabilities.*

14 *(e) LIMITATIONS.—(1) In obligating funds in accord-*
15 *ance with either paragraph (1) or paragraph (2) of sub-*
16 *section (d), no action may be taken that would delay,*
17 *hinder, or otherwise disrupt the current production and*
18 *fielding schedule for the fourth Stryker brigade.*

19 *(2) Notwithstanding any other provision of this sec-*
20 *tion, all funds authorized to be appropriated under section*
21 *101 for procurement for the Army for fiscal year 2004 that*
22 *are available for the Stryker vehicle program shall be used*
23 *exclusively to develop, procure, and field Stryker combat ve-*
24 *hicles.*

1 **Subtitle C—Navy Programs**

2 **SEC. 121. MULTIYEAR PROCUREMENT AUTHORITY FOR F/A-**
3 **18 AIRCRAFT PROGRAM.**

4 *The Secretary of the Navy may, in accordance with*
5 *section 2306b of title 10, United States Code, enter into a*
6 *multiyear contract, beginning with the fiscal year 2005 pro-*
7 *gram year, for procurement of aircraft in the F/A-18E, F/*
8 *A-18F, and EA-18G configurations. The total number of*
9 *aircraft procured through a multiyear contract under this*
10 *section may not exceed 234.*

11 **SEC. 122. MULTIYEAR PROCUREMENT AUTHORITY FOR TAC-**
12 **TICAL TOMAHAWK CRUISE MISSILE PRO-**
13 **GRAM.**

14 *The Secretary of the Navy may, in accordance with*
15 *section 2306b of title 10, United States Code, enter into a*
16 *multiyear contract, beginning with the fiscal year 2004 pro-*
17 *gram year, for procurement of Tactical Tomahawk cruise*
18 *missiles. The total number of missiles procured through a*
19 *multiyear contract under this section shall be determined*
20 *by the Secretary of the Navy, based upon the funds avail-*
21 *able, but not to exceed 900 in any year.*

22 **SEC. 123. MULTIYEAR PROCUREMENT AUTHORITY FOR VIR-**
23 **GINIA CLASS SUBMARINE PROGRAM.**

24 *(a) AUTHORITY.—The Secretary of the Navy may, in*
25 *accordance with section 2306b of title 10, United States*

1 Code, enter into a multiyear contract, beginning with the
2 fiscal year 2004 program year, for procurement of seven
3 Virginia-class submarines.

4 (b) *LIMITATION.*—The Secretary of the Navy may not
5 enter into a contract authorized by subsection (a) until—

6 (1) the Secretary submits to the congressional de-
7 fense committees a certification that the Secretary has
8 made each of the findings with respect to such con-
9 tract specified in subsection (a) of section 2306b of
10 title 10, United States Code; and

11 (2) a period of 30 days has elapsed after the date
12 of the transmission of such certification.

13 **SEC. 124. MULTIYEAR PROCUREMENT AUTHORITY FOR E-2C**

14 **AIRCRAFT PROGRAM.**

15 (a) *AIRCRAFT.*—The Secretary of the Navy may, in
16 accordance with section 2306b of title 10, United States
17 Code, enter into a multiyear contract, beginning with the
18 fiscal year 2004 program year, for procurement of four E-
19 2C and four TE-2C aircraft.

20 (b) *ENGINES.*—The Secretary of the Navy may, in ac-
21 cordance with section 2306b of title 10, United States Code,
22 enter into a multiyear contract, beginning with the fiscal
23 year 2004 program year, for procurement of 16 engines for
24 aircraft in the E-2C or TE-2C configuration.

1 (c) *LIMITATION ON TERM OF CONTRACTS.*—*Notwith-*
2 *standing subsection (k) of section 2306b of title 10, United*
3 *States Code, a contract under this section may not be for*
4 *a period in excess of four program years.*

5 ***SEC. 125. LPD-17 CLASS VESSEL.***

6 *If after May 7, 2003, there is enacted an Act making*
7 *supplemental appropriations for the Department of Defense*
8 *for fiscal year 2003 that includes appropriation of an*
9 *amount for procurement of Tomahawk cruise missiles for*
10 *the Navy, then—*

11 (1) *the amount provided in section 102 for pro-*
12 *curement of weapons for the Navy is reduced by the*
13 *amount so appropriated or by \$200,000,000, which-*
14 *ever is less, with such reduction to be derived from*
15 *amounts authorized for procurement of Tomahawk*
16 *cruise missiles; and*

17 (2) *the amount provided in section 102 for ship-*
18 *building and conversion is increased by the amount*
19 *of the reduction under paragraph (1), with the*
20 *amount of such increase to be available for advance*
21 *procurement of long-lead items, including the advance*
22 *fabrication of components, for one LPD-17 class ves-*
23 *sel.*

1 ***Subtitle D—Air Force Programs***

2 ***SEC. 131. AIR FORCE AIR REFUELING TRANSFER ACCOUNT.***

3 (a) *TRANSFER ACCOUNT.*—*There is hereby established*
4 *an account for the Department of the Air Force to be known*
5 *as the Air Force Air Refueling Transfer Account. Amounts*
6 *in such account may be used in accordance with subsection*
7 *(c).*

8 (b) *AUTHORIZATION OF APPROPRIATIONS.*—*Within*
9 *the amount provided in section 103(1), there is authorized*
10 *to be appropriated to the Air Force Air Refueling Transfer*
11 *Account for fiscal year 2004 the amount of \$229,200,000.*

12 (c) *AUTHORIZED USE OF FUNDS.*—*Amounts in the*
13 *Air Force Air Refueling Transfer Account may be used for*
14 *any of the following purposes, as determined by the Sec-*
15 *retary of the Air Force:*

16 (1) *Necessary expenses for fiscal year 2004 to*
17 *prepare for leasing of tanker aircraft under section*
18 *8159 of the Department of Defense Appropriations*
19 *Act, 2002 (division A of Public Law 107–117; 115*
20 *Stat. 2284; 10 U.S.C. 2401a note).*

21 (2) *Necessary expenses for fiscal year 2004 to*
22 *prepare for purchase of tanker aircraft for the Air*
23 *Force.*

24 (3) *Retaining in active service (rather than re-*
25 *tiring) KC–135E aircraft.*

1 (4) *Maintenance of equipment for KC-135 air-*
2 *craft that was purchased through a depot.*

3 (d) *AUTHORIZED TRANSFERS.*—*Subject to subsections*
4 *(e) and (f), the Secretary of the Air Force may transfer*
5 *funds in the Air Force Air Refueling Transfer Account to*
6 *appropriations of the Air Force available for purposes set*
7 *forth in subsection (c), including appropriations available*
8 *for procurement, for research, development, test, and eval-*
9 *uation, for operation and maintenance, and for military*
10 *personnel (in the case of retaining KC-135E aircraft in*
11 *active service), in such amounts as the Secretary determines*
12 *necessary for such purpose.*

13 (e) *LIMITATION.*—*Amounts appropriated to the Air*
14 *Force Air Refueling Transfer Account pursuant to the au-*
15 *thorization of appropriations in subsection (b) may not be*
16 *used to enter into a lease for tanker aircraft or to enter*
17 *into a contract for procurement of tanker aircraft.*

18 (f) *NOTICE TO CONGRESS.*—*A transfer of funds under*
19 *subsection (d) may not be made until—*

20 (1) *the Secretary of the Air Force notifies the*
21 *congressional defense committees in writing of the*
22 *amount and purpose of the proposed transfer, includ-*
23 *ing each account to which the transfer is to be made;*
24 *and*

1 (2) a period of 30 days has elapsed after the date
2 on which the notice is received by those committees.

3 **SEC. 132. INCREASE IN NUMBER OF AIRCRAFT AUTHORIZED**
4 **TO BE PROCURED UNDER MULTIYEAR PRO-**
5 **CUREMENT AUTHORITY FOR AIR FORCE C-**
6 **130J AIRCRAFT PROGRAM.**

7 Section 131(a) of the Bob Stump National Defense Au-
8 thorization Act for Fiscal Year 2003 (Public Law 107–314;
9 116 Stat. 2475) is amended by striking “40 C–130J air-
10 craft” and inserting “42 C–130J aircraft”.

11 **SEC. 133. LIMITATION ON RETIRING C-5 AIRCRAFT.**

12 (a) *LIMITATION.*—The Secretary of the Air Force may
13 not proceed with a decision to retire C–5A aircraft from
14 the active inventory of the Air Force in any number that
15 which would reduce the total number of such aircraft in
16 the active inventory below 112 until—

17 (1) the Air Force has modified a C–5A aircraft
18 to the configuration referred to as the Reliability En-
19 hancement and Reengining Program (RERP) con-
20 figuration, as planned under the C–5 System Devel-
21 opment and Demonstration program as of May 1,
22 2003; and

23 (2) the Director of Operational Test and Evalua-
24 tion of the Department of Defense—

1 (A) conducts an operational evaluation of
2 that aircraft, as so modified; and

3 (B) provides to the Secretary of Defense and
4 the congressional defense committees an oper-
5 ational assessment.

6 (b) *OPERATIONAL EVALUATION.*—An operational eval-
7 uation for purposes of paragraph (2)(A) of subsection (a)
8 is an evaluation, conducted during operational testing and
9 evaluation of the aircraft, as so modified, of the performance
10 of the aircraft with respect to reliability, maintainability,
11 and availability and with respect to critical operational
12 issues

13 (c) *OPERATIONAL ASSESSMENT.*—An operational as-
14 sessment for purposes of paragraph (2)(B) of subsection (a)
15 is an operational assessment of the program to modify C-
16 5A aircraft to the configuration referred to in subsection
17 (a)(1) regarding both overall suitability and deficiencies of
18 the program to improve performance of the C-5A aircraft
19 relative to requirements and specifications for reliability,
20 maintainability, and availability of that aircraft as in ef-
21 fect on May 1, 2003.

22 **SEC. 134. LIMITATION ON OBLIGATION OF FUNDS FOR PRO-**
23 **CUREMENT OF F/A-22 AIRCRAFT.**

24 (a) *LIMITATION.*—Of the amount appropriated for fis-
25 cal year 2004 for procurement of F/A-22 aircraft,

1 \$136,000,000 may not be obligated until the Under Sec-
2 retary of Defense for Acquisition, Technology, and Logistics
3 submits to the congressional defense committees the Under
4 Secretary's certification that—

5 (1) the four primary aircraft designated to par-
6 ticipate in the dedicated initial operational test and
7 evaluation program for the F/A-22 aircraft have each
8 been equipped with the version of the avionics soft-
9 ware operational flight program that is designated as
10 version 3.1.2 or a later version; and

11 (2) before the commencement of that dedicated
12 initial operational test and evaluation program, those
13 four aircraft (as so equipped) demonstrate, on aver-
14 age, an avionics software mean time between insta-
15 bility events of at least 20 hours.

16 (b) CONTINGENCY WAIVER AUTHORITY.—If the Under
17 Secretary notifies the Secretary of Defense that the Under
18 Secretary is unable to make the certification described in
19 subsection (a), the Secretary may waive the limitation
20 under that subsection. Upon making such a waiver—

21 (1) the Secretary of Defense shall notify the con-
22 gressional defense committees of the waiver and of the
23 reasons therefor; and

24 (2) the funds described in subsection (a) may
25 then be obligated, by reason of such waiver, after the

1 *end of the 30-day period beginning on the date on*
2 *which the Secretary's notification is received by those*
3 *committees.*

4 ***TITLE II—RESEARCH, DEVELOP-***
5 ***MENT, TEST, AND EVALUA-***
6 ***TION***

7 ***Subtitle A—Authorization of***
8 ***Appropriations***

9 ***SEC. 201. AUTHORIZATION OF APPROPRIATIONS.***

10 *Funds are hereby authorized to be appropriated for fis-*
11 *cal year 2004 for the use of the Department of Defense for*
12 *research, development, test, and evaluation as follows:*

13 (1) *For the Army, \$9,332,382,000.*

14 (2) *For the Navy, \$14,343,360,000.*

15 (3) *For the Air Force, \$20,548,867,000.*

16 (4) *For Defense-wide activities, \$18,461,046,000,*
17 *of which \$286,661,000 is authorized for the Director*
18 *of Operational Test and Evaluation.*

19 ***SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECH-***
20 ***NOLOGY.***

21 (a) *FISCAL YEAR 2004.—Of the amounts authorized*
22 *to be appropriated by section 201, \$10,893,077,000 shall be*
23 *available for the Defense Science and Technology Program,*
24 *including basic research, applied research, and advanced*
25 *technology development projects.*

1 (b) *BASIC RESEARCH, APPLIED RESEARCH, AND AD-*
2 *VANCED TECHNOLOGY DEVELOPMENT DEFINED.*—*For pur-*
3 *poses of this section, the term “basic research, applied re-*
4 *search, and advanced technology development” means work*
5 *funded in program elements for defense research and devel-*
6 *opment under Department of Defense category 6.1, 6.2, or*
7 *6.3.*

8 ***Subtitle B—Program Requirements,***
9 ***Restrictions, and Limitations***

10 ***SEC. 211. COLLABORATIVE PROGRAM FOR DEVELOPMENT***
11 ***OF ELECTROMAGNETIC GUN TECHNOLOGY.***

12 (a) *PROGRAM REQUIRED.*—*The Secretary of Defense*
13 *shall establish and carry out a collaborative program for*
14 *evaluation and demonstration of advanced technologies and*
15 *concepts for advanced gun systems that use electromagnetic*
16 *propulsion for direct and indirect fire applications.*

17 (b) *DESCRIPTION OF PROGRAM.*—*The program under*
18 *subsection (a) shall be carried out collaboratively pursuant*
19 *to a memorandum of agreement to be entered into among*
20 *the Secretary of the Army, the Secretary of the Navy, and*
21 *the Director of the Defense Advanced Research Projects*
22 *Agency. The program shall include the following activities:*

23 (1) *Identification of technical objectives, quan-*
24 *tified technical barriers, and enabling technologies as-*
25 *sociated with development of the objective electro-*

1 *magnetic gun systems envisioned to meet the needs of*
2 *each of the Armed Forces and, in so doing, identifica-*
3 *tion of opportunities for development of components*
4 *or subsystems common to those envisioned gun sys-*
5 *tems.*

6 *(2) Preparation of a time-based plan for develop-*
7 *ment of electromagnetic gun systems for direct fire*
8 *applications, indirect fire applications, or both direct*
9 *and indirect fire applications (in the case of the*
10 *Army and Marine Corps) and for indirect fire appli-*
11 *cations (in the case of the Navy), which—*

12 *(A) includes the programs currently*
13 *planned by the Army and by the Navy and dem-*
14 *onstrates how the enabling technologies common*
15 *to such Army and Navy programs are used; and*

16 *(B) provides estimated dates for decision*
17 *points, prototype demonstrations, and transi-*
18 *tions of successful cases from the collaborative*
19 *program under this section to an acquisition*
20 *program.*

21 *(3) For each of the enabling technologies common*
22 *to the Army and Navy programs, identification of*
23 *whether lead responsibility for developing that tech-*
24 *nology should be assigned to the Secretary of the*
25 *Army, the Secretary of the Navy, or the Director,*

1 *with the Director favored in cases in which the tech-*
2 *nology is highly challenging or high risk, high re-*
3 *ward, and with each such Secretary favored in cases*
4 *in which that Secretary's military department pos-*
5 *sesses superior expertise or experience with the tech-*
6 *nology.*

7 (4) *Identification of a strategy for the participa-*
8 *tion of industry in the program.*

9 (c) *MATTERS INCLUDED.*—*The advanced technologies*
10 *and concepts included under the program may include, but*
11 *are not limited to, the following:*

12 (1) *Advanced electrical power, energy storage,*
13 *and switching systems.*

14 (2) *Electromagnetic launcher materials and con-*
15 *struction techniques for long barrel life.*

16 (3) *Guidance and control systems for electro-*
17 *magnetically launched projectiles.*

18 (4) *Advanced projectiles and other munitions for*
19 *electromagnetic gun systems.*

20 (5) *Hypervelocity terminal effects.*

21 (d) *RELATIONSHIP TO SEPARATE PROGRAMS OF MILI-*
22 *TARY DEPARTMENTS.*—*The Secretary of the Army and the*
23 *Secretary of the Navy shall carry out separate programs*
24 *for the evaluation and demonstration of advanced tech-*
25 *nologies and concepts for, and for the further development*

1 *and acquisition of, advanced gun systems referred to in sub-*
2 *section (a). Each such Secretary shall incorporate in that*
3 *Secretary's program the most promising of the technology*
4 *products matured under the program under subsection (a).*

5 *(e) REPORT.—Not later than March 31, 2004, the Sec-*
6 *retary of the Army, the Secretary of the Navy, and the Di-*
7 *rector of the Defense Advanced Research Projects Agency*
8 *shall jointly submit a report to the congressional defense*
9 *committees on the implementation of the program under*
10 *subsection (a). The report shall include the following:*

11 *(1) A description of the memorandum of agree-*
12 *ment entered into under subsection (b).*

13 *(2) The time-based plan required by subsection*
14 *(b)(2).*

15 *(3) A description of the goals and objectives of*
16 *the program.*

17 *(4) Identification of funding required for fiscal*
18 *year 2004 and for the future years defense program*
19 *to carry out the program.*

20 *(5) A description of a plan for industry partici-*
21 *pation in the program.*

1 **SEC. 212. AUTHORITY TO SELECT CIVILIAN EMPLOYEE OF**
2 **DEPARTMENT OF DEFENSE AS DIRECTOR OF**
3 **DEPARTMENT OF DEFENSE TEST RESOURCE**
4 **MANAGEMENT CENTER.**

5 *Section 196(b)(1) of title 10, United States Code, is*
6 *amended—*

7 *(1) in the first sentence, by inserting before the*
8 *period at the end the following: “or from among sen-*
9 *ior civilian officials or employees of the Department*
10 *of Defense who have substantial experience in the field*
11 *of test and evaluation”;* and

12 *(2) in the second sentence, by striking “vice ad-*
13 *miral” and inserting “the grade of vice admiral, or,*
14 *in the case of a civilian official or employee, an*
15 *equivalent level.”.*

16 **SEC. 213. DEVELOPMENT OF THE JOINT TACTICAL RADIO**
17 **SYSTEM.**

18 *(a) JOINT PROGRAM OFFICE.—The Secretary of De-*
19 *fense shall designate a single joint program office within*
20 *the Department of Defense for management of the Joint*
21 *Tactical Radio System development program. The Sec-*
22 *retary shall provide for the head of that office to be selected*
23 *on a rotating basis from among officers of different Armed*
24 *Forces.*

25 *(b) CONSOLIDATED PROGRAM ELEMENTS.—The Sec-*
26 *retary shall provide that all funds for development and pro-*

1 *curement of the Joint Tactical Radio System program shall*
2 *be consolidated under and managed by the head of the joint*
3 *program office designated under subsection (a).*

4 *(c) PROGRAM DEVELOPMENT.—The Secretary shall*
5 *provide that, subject to the authority, direction, and control*
6 *of the Secretary, the head of the joint program office des-*
7 *ignated under subsection (a) shall—*

8 *(1) establish and control the performance speci-*
9 *fications for the Joint Tactical Radio System;*

10 *(2) establish and control the standards for devel-*
11 *opment of the software and equipment for that sys-*
12 *tem;*

13 *(3) establish and control the standards for oper-*
14 *ation of that system; and*

15 *(4) develop a single, unified concept of oper-*
16 *ations for all users of that system.*

17 **SEC. 214. FUTURE COMBAT SYSTEMS.**

18 *(a) LIMITATION.—None of the funds authorized to be*
19 *appropriated under section 201(1) for development and*
20 *demonstration of systems for the Future Combat Systems*
21 *program may be obligated or expended until 30 days after*
22 *the Secretary of the Army submits to the congressional de-*
23 *fense committees a report on such program. The report shall*
24 *include the following:*

25 *(1) The findings and conclusions of—*

1 (A) *the review of the Future Combat Sys-*
2 *tems program carried out by the independent*
3 *panel at the direction of the Secretary of Defense;*
4 *and*

5 (B) *the milestone B review of the Future*
6 *Combat Systems program carried out by the de-*
7 *fense acquisition board.*

8 (2) *For each of the key performance parameters*
9 *relating to the Future Combat Systems program, the*
10 *threshold value at which the utility of the individual*
11 *systems comprising the Future Combat Systems pro-*
12 *gram become questionable.*

13 (3) *For each of the three projects requested under*
14 *program element 64645A, Armored Systems Mod-*
15 *ernization, a completed analysis of alternatives.*

16 (b) *SEPARATE PROGRAM ELEMENTS.—For fiscal years*
17 *beginning with 2004, the Secretary of Defense shall ensure*
18 *that—*

19 (1) *each project under the Army’s Future Com-*
20 *bat Systems program (whether in existence before, on,*
21 *or after the date of the enactment of this Act) is as-*
22 *signed a separate, dedicated program element; and*

23 (2) *before such a program element is assigned to*
24 *such a project, an analysis of alternatives for such*
25 *project is completed.*

1 **SEC. 215. ARMY PROGRAM TO PURSUE TECHNOLOGIES**
2 **LEADING TO THE ENHANCED PRODUCTION**
3 **OF TITANIUM BY THE UNITED STATES.**

4 (a) *EFFORTS REQUIRED.*—The Secretary of Defense
5 shall—

6 (1) *assess promising technologies leading to the*
7 *enhanced production of titanium by the United*
8 *States; and*

9 (2) *select, on a competitive basis, the most viable*
10 *such technologies for research, development, and pro-*
11 *duction.*

12 (b) *EXECUTIVE AGENT.*—The Secretary of the Army
13 shall serve as executive agent in carrying out subsection (a).

14 (c) *FUNDING.*—Of the funds authorized to be appro-
15 priated by section 201(1) for research, development, test,
16 and evaluation, Army, for fiscal year 2004, \$8,000,000
17 shall be available in program element 62624A to carry out
18 this section.

19 **SEC. 216. EXTENSION OF REPORTING REQUIREMENT FOR**
20 **RAH-66 COMANCHE AIRCRAFT PROGRAM.**

21 Section 211 of the Bob Stump National Defense Au-
22 thorization Act for Fiscal Year 2003 (Public Law 107–314;
23 116 Stat. 2479) is amended in subsection (a) by inserting
24 “and fiscal year 2004” after “fiscal year 2003”.

1 **SEC. 217. STUDIES OF FLEET PLATFORM ARCHITECTURES**
2 **FOR THE NAVY.**

3 (a) *INDEPENDENT STUDIES.*—(1) *The Secretary of De-*
4 *fense shall provide for the performance of eight independent*
5 *studies on alternative future fleet platform architectures for*
6 *the Navy.*

7 (2) *The Secretary shall forward the results of each*
8 *study to the congressional defense committees not later than*
9 *March 1, 2004.*

10 (3) *Each such study shall be submitted both in unclas-*
11 *sified, and to the extent necessary, in classified versions.*

12 (b) *ENTITIES TO PERFORM STUDIES.*—*The Secretary*
13 *of Defense shall provide for the studies under subsection (a)*
14 *to be performed as follows:*

15 (1) *One shall be performed by the Secretary of*
16 *the Navy, using Department of the Navy personnel.*

17 (2) *Four shall be performed by qualified analyt-*
18 *ical organizations external to Department of Defense.*

19 (3) *Three shall be performed by defense firms, or*
20 *teams of defense firms, in the private sector.*

21 (c) *PERFORMANCE OF STUDIES.*—(1) *The Secretary of*
22 *Defense shall require each entity undertaking one of the*
23 *studies under this section to commit to performing the study*
24 *independently from the other studies and, in the case of the*
25 *entities selected under paragraphs (2) and (3) of subsection*

1 *(b), independently from the Navy, so as to ensure inde-*
2 *pendent analysis.*

3 *(2) In performing a study under this section, the entity*
4 *performing the study shall consider the following:*

5 *(A) The National Security Strategy of the*
6 *United States.*

7 *(B) Potential future threats to the United States*
8 *and to United States naval forces.*

9 *(C) The traditional roles and missions of United*
10 *States naval forces.*

11 *(D) Alternative roles and missions.*

12 *(E) The role of evolving technology on future*
13 *naval forces.*

14 *(F) Opportunities for reduced manning and un-*
15 *manned ships and vehicles in future naval forces.*

16 *(3) Each entity performing a study under this section,*
17 *while cognizant of current overall fleet platform architec-*
18 *ture, shall not allow the current features of fleet platform*
19 *architecture to constrain the analysis for purposes of that*
20 *study.*

21 *(d) NAVAL STUDIES.—Each study under this section*
22 *shall present one or two possible overall fleet platform archi-*
23 *tectures. For each such architecture presented, the study*
24 *shall include the following:*

1 (1) *The numbers, kinds, and sizes of vessels, the*
 2 *numbers and types of associated manned and un-*
 3 *manned vehicles, and the basic capabilities of each of*
 4 *those platforms.*

5 (2) *Other information needed to understand that*
 6 *architecture in basic form and the supporting anal-*
 7 *ysis.*

8 (e) *COSTS.*—*Within the amount provided in section*
 9 *201(2), the amount of \$1,600,000 is authorized, within Pro-*
 10 *gram Element 65154N, for the purposes of this section.*

11 ***Subtitle C—Ballistic Missile***
 12 ***Defense***

13 ***SEC. 221. ENHANCED FLEXIBILITY FOR BALLISTIC MISSILE***
 14 ***DEFENSE SYSTEMS.***

15 (a) *FLEXIBILITY FOR SPECIFICATION OF PROGRAM*
 16 *ELEMENTS.*—*Subsection (a) of section 223 of title 10,*
 17 *United States Code, is amended—*

18 (1) *by inserting “BY PRESIDENT” in the sub-*
 19 *section heading after “SPECIFIED”;*

20 (2) *by striking “program elements governing*
 21 *functional areas as follows:” and inserting “such pro-*
 22 *gram elements as the President may specify.”; and*

23 (3) *by striking paragraphs (1) through (6).*

24 (b) *CONFORMING AMENDMENTS.*—(1) *Subsection (c) of*
 25 *such section is amended by striking “for each program ele-*

1 *ment specified in subsection (a)” and inserting “for a fiscal*
2 *year for any program element specified for that fiscal year*
3 *pursuant to subsection (a)”.*

4 *(2) Subsection (c)(3) of section 232 of the National De-*
5 *fense Authorization Act for Fiscal Year 2002 (Public Law*
6 *107–107; 115 Stat. 1037; 10 U.S.C. 2431 note) is amended*
7 *by striking “each functional area” and all that follows*
8 *through “subsection (b),” and inserting “each then-current*
9 *program element for ballistic missile defense systems in ef-*
10 *fect pursuant to subsection (a) or (b)”.*

11 *(c) AMENDMENTS RELATING TO CHANGES IN ACQUI-*
12 *SION TERMINOLOGY.—(1) Section 223(b)(2) of title 10,*
13 *United States Code, is amended by striking “means the de-*
14 *velopment phase whose” and inserting “means the period*
15 *in the course of an acquisition program during which the”.*

16 *(2) Subsection (d)(1) of section 232 of the National De-*
17 *fense Authorization Act for Fiscal Year 2002 (Public Law*
18 *107–107; 115 Stat. 1037; 10 U.S.C. 2431 note) is amended*
19 *by striking “, as added by subsection (b)”.*

1 **TITLE III—OPERATION AND**
2 **MAINTENANCE**
3 **Subtitle A—Authorization of**
4 **Appropriations**

5 **SEC. 301. OPERATION AND MAINTENANCE FUNDING.**

6 *Funds are hereby authorized to be appropriated for fis-*
7 *cal year 2004 for the use of the Armed Forces and other*
8 *activities and agencies of the Department of Defense for ex-*
9 *penses, not otherwise provided for, for operation and main-*
10 *tenance, in amounts as follows:*

11 (1) *For the Army, \$25,050,587,000.*

12 (2) *For the Navy, \$27,901,790,000.*

13 (3) *For the Marine Corps, \$3,517,756,000.*

14 (4) *For the Air Force, \$25,434,460,000.*

15 (5) *For Defense-wide activities, \$16,134,047,000.*

16 (6) *For the Army Reserve, \$1,954,009,000.*

17 (7) *For the Naval Reserve, \$1,171,921,000.*

18 (8) *For the Marine Corps Reserve, \$199,452,000.*

19 (9) *For the Air Force Reserve, \$2,170,188,000.*

20 (10) *For the Army National Guard,*
21 *\$4,194,331,000.*

22 (11) *For the Air National Guard,*
23 *\$4,404,646,000.*

24 (12) *For the United States Court of Appeals for*
25 *the Armed Forces, \$10,333,000.*

1 (13) *For Environmental Restoration, Army,*
2 \$396,018,000.

3 (14) *For Environmental Restoration, Navy,*
4 \$256,153,000.

5 (15) *For Environmental Restoration, Air Force,*
6 \$384,307,000.

7 (16) *For Environmental Restoration, Defense-*
8 *wide, \$24,081,000.*

9 (17) *For Environmental Restoration, Formerly*
10 *Used Defense Sites, \$212,619,000.*

11 (18) *For Overseas Humanitarian, Disaster, and*
12 *Civic Aid programs, \$59,000,000.*

13 (19) *For Cooperative Threat Reduction pro-*
14 *grams, \$450,800,000.*

15 (20) *United States Industrial Base Capabilities*
16 *Fund, \$100,000,000.*

17 **SEC. 302. WORKING CAPITAL FUNDS.**

18 *Funds are hereby authorized to be appropriated for fis-*
19 *cal year 2004 for the use of the Armed Forces and other*
20 *activities and agencies of the Department of Defense for*
21 *providing capital for working capital and revolving funds*
22 *in amounts as follows:*

23 (1) *For the Defense Working Capital Funds,*
24 \$632,261,000.

1 (2) *For the National Defense Sealift Fund,*
2 *\$1,102,762,000.*

3 (3) *For the Defense Commissary Agency Working*
4 *Capital Fund, \$1,089,246,000.*

5 **SEC. 303. OTHER DEPARTMENT OF DEFENSE PROGRAMS.**

6 (a) *DEFENSE HEALTH PROGRAM.—Funds are hereby*
7 *authorized to be appropriated for the Department of Defense*
8 *for fiscal year 2004 for expenses, not otherwise provided for,*
9 *for the Defense Health Program, \$15,317,063,000, of*
10 *which—*

11 (1) *\$14,923,441,000 is for Operation and Main-*
12 *tenance;*

13 (2) *\$65,796,000 is for Research, Development,*
14 *Test, and Evaluation; and*

15 (3) *\$327,826,000 is for Procurement.*

16 (b) *CHEMICAL AGENTS AND MUNITIONS DESTRUC-*
17 *TION, DEFENSE.—(1) Funds are hereby authorized to be ap-*
18 *propriated for the Department of Defense for fiscal year*
19 *2004 for expenses, not otherwise provided for, for Chemical*
20 *Agents and Munitions Destruction, Defense,*
21 *\$1,580,261,000, of which—*

22 (A) *\$1,249,168,000 is for Operation and Mainte-*
23 *nance;*

24 (B) *\$251,881,000 is for Research, Development,*
25 *Test, and Evaluation; and*

1 (C) \$79,212,000 is for Procurement.

2 (2) Amounts authorized to be appropriated under
3 paragraph (1) are authorized for—

4 (A) the destruction of lethal chemical agents and
5 munitions in accordance with section 1412 of the De-
6 partment of Defense Authorization Act, 1986 (50
7 U.S.C. 1521); and

8 (B) the destruction of chemical warfare materiel
9 of the United States that is not covered by section
10 1412 of such Act.

11 (c) *DRUG INTERDICTION AND COUNTER-DRUG ACTIVI-*
12 *TIES, DEFENSE-WIDE.*—Funds are hereby authorized to be
13 appropriated for the Department of Defense for fiscal year
14 2004 for expenses, not otherwise provided for, for Drug
15 Interdiction and Counter-Drug Activities, Defense-wide,
16 \$817,371,000.

17 (d) *DEFENSE INSPECTOR GENERAL.*—Funds are here-
18 by authorized to be appropriated for the Department of De-
19 fense for fiscal year 2004 for expenses, not otherwise pro-
20 vided for, for the Office of the Inspector General of the De-
21 partment of Defense, \$162,449,000.

1 **Subtitle B—Environmental**
2 **Provisions**

3 **SEC. 311. REAUTHORIZATION AND MODIFICATION OF TITLE**
4 **I OF SIKES ACT.**

5 (a) *REAUTHORIZATION.*—Section 108 of the Sikes Act
6 (16 U.S.C. 670f) is amended by striking “fiscal years 1998
7 through 2003” each place it appears and inserting “fiscal
8 years 2004 through 2008”.

9 (b) *SENSE OF CONGRESS REGARDING SECTION 107.*—

10 (1) *Congress finds the following:*

11 (A) *The Department of Defense maintains over*
12 *25,000,000 acres of valuable fish and wildlife habitat*
13 *on approximately 400 military installations nation-*
14 *wide.*

15 (B) *These lands contain a wealth of plant and*
16 *animal life, vital wetlands for migratory birds, and*
17 *nearly 300 federally listed threatened species and en-*
18 *dangered species.*

19 (C) *Increasingly, land surrounding military*
20 *bases are being developed with residential and com-*
21 *mercial infrastructure that fragments fish and wild-*
22 *life habitat and decreases its ability to support a di-*
23 *versity of species.*

24 (D) *Comprehensive conservation plans, such as*
25 *integrated natural resource management plans under*

1 *the Sikes Act (16 U.S.C. 670 et seq.), can ensure that*
2 *these ecosystem values can be protected and enhanced*
3 *while allowing these lands to meet the needs of mili-*
4 *tary operations.*

5 *(E) Section 107 of the Sikes Act (16 U.S.C.*
6 *670e-2) requires sufficient numbers of professionally*
7 *trained natural resources management personnel and*
8 *natural resources law enforcement personnel to be*
9 *available and assigned responsibility to perform tasks*
10 *necessary to carry out title I of the Sikes Act, includ-*
11 *ing the preparation and implementation of integrated*
12 *natural resource management plans.*

13 *(F) Managerial and policymaking functions per-*
14 *formed by Department of Defense on-site profes-*
15 *sionally trained natural resource management per-*
16 *sonnel on military installations are appropriate gov-*
17 *ernmental functions.*

18 *(G) Professionally trained civilian biologists in*
19 *permanent Federal Government career managerial*
20 *positions are essential to oversee fish and wildlife and*
21 *natural resource conservation programs are essential*
22 *to the conservation of wildlife species on military*
23 *land.*

24 *(2) It is the sense of Congress that the Secretary of*
25 *Defense should take whatever steps are necessary to ensure*

1 *that section 107 of the Sikes Act (16 U.S.C. 670e-2) is fully*
2 *implemented consistent with the findings made in para-*
3 *graph (1).*

4 *(c) PILOT PROGRAM FOR INVASIVE SPECIES MANAGE-*
5 *MENT FOR MILITARY INSTALLATIONS.—(1) Section*
6 *101(b)(1) of the Sikes Act (16 U.S.C. 670a(b)(1)) is amend-*
7 *ed by redesignating subparagraphs (D) through (J) in order*
8 *as subparagraphs (E) through (K), and by inserting after*
9 *subparagraph (C) the following:*

10 *“(D) during fiscal years 2004 through 2008,*
11 *in the case of a plan for a military installation*
12 *in Guam, management, control, and eradication*
13 *of invasive species that are not native to the eco-*
14 *system of the military installation and the intro-*
15 *duction of which cause or may cause harm to*
16 *military readiness, the environment, the econ-*
17 *omy, or human health and safety;”.*

18 *(2) The amendment made by paragraph (1) shall*
19 *apply—*

20 *(A) to any integrated natural resources manage-*
21 *ment plan prepared for a military installation in*
22 *Guam under section 101(a)(1) of the Sikes Act (16*
23 *U.S.C. 670a(a)(1)) on or after the date of the enact-*
24 *ment of this Act; and*

1 (B) to any integrated natural resources manage-
2 ment plan prepared for a military installation in
3 Guam under section 101(a)(1) of the Sikes Act (16
4 U.S.C. 670a(a)(1)) before the date of the enactment of
5 this Act, effective March 1, 2004.

6 **SEC. 312. AUTHORIZATION FOR DEFENSE PARTICIPATION**
7 **IN WETLAND MITIGATION BANKS.**

8 (a) *IN GENERAL.*—Chapter 159 of title 10, United
9 States Code, is amended by inserting after section 2694a
10 the following new section:

11 **“§ 2694b. Participation in wetland mitigation banks**

12 “(a) *AUTHORITY TO PARTICIPATE.*—The Secretary of
13 a military department, and the Secretary of Defense with
14 respect to matters concerning a Defense Agency, when en-
15 gaged in an authorized activity that may or will result in
16 the destruction of, or an adverse impact to, a wetland, may
17 make payments to a wetland mitigation banking program
18 or ‘in-lieu-fee’ mitigation sponsor approved in accordance
19 with the Federal Guidance for the Establishment, Use and
20 Operation of Mitigation Banks (60 Fed. Reg. 58605; No-
21 vember 28, 1995) or the Federal Guidance on the Use of
22 In-Lieu-Fee Arrangements for Compensatory Mitigation
23 Under Section 404 of the Clean Water Act and Section 10
24 of the Rivers and Harbors Act (65 Fed. Reg. 66913; Novem-
25 ber 7, 2000), or any successor administrative guidance.

1 “(b) *ALTERNATIVE TO CREATION OF WETLAND.*—Participation in a wetland mitigation banking program or
 2 *consolidated user site under subsection (a) shall be in lieu*
 3 *of mitigating wetland impacts through the creation of a*
 4 *wetland on Federal property.*

6 “(c) *TREATMENT OF PAYMENTS.*—Payments made
 7 *under subsection (a) to a wetland mitigation banking pro-*
 8 *gram or consolidated user site may be treated as eligible*
 9 *project costs for military construction.”.*

10 (b) *CLERICAL AMENDMENT.*—The table of sections at
 11 *the beginning of such chapter is amended by inserting after*
 12 *the item relating to section 2694a the following new item:*
 “2694b. *Participation in wetland mitigation banks.”.*

13 **SEC. 313. INCLUSION OF ENVIRONMENTAL RESPONSE**
 14 **EQUIPMENT AND SERVICES IN NAVY DEFINI-**
 15 **TIONS OF SALVAGE FACILITIES AND SALVAGE**
 16 **SERVICES.**

17 (a) *SALVAGE FACILITIES.*—Section 7361 of title 10,
 18 *United States Code, is amended by adding at the end the*
 19 *following new subsection:*

20 “(e) *SALVAGE FACILITIES DEFINED.*—In this section,
 21 *the term ‘salvage facilities’ includes equipment and gear*
 22 *utilized to prevent, abate, or minimize damage to the envi-*
 23 *ronment in connection with a marine salvage operation.”.*

24 (b) *SETTLEMENT OF CLAIMS FOR SALVAGE SERV-*
 25 *ICES.*—Section 7363 of such title is amended—

1 (1) by inserting “(a) *AUTHORITY TO SETTLE*
2 *CLAIM.—*” before “*The Secretary*”; and

3 (2) by adding at the end the following new sub-
4 *section:*

5 “(b) *SALVAGE SERVICES DEFINED.—*In this section,
6 the term ‘salvage services’ includes services performed in
7 connection with a marine salvage operation that are in-
8 tended to prevent, abate, or minimize damage to the envi-
9 ronment.”.

10 **SEC. 314. CLARIFICATION OF DEPARTMENT OF DEFENSE**

11 **RESPONSE TO ENVIRONMENTAL EMER-**
12 **GENCIES.**

13 (a) *TRANSPORTATION OF HUMANITARIAN RELIEF*
14 *SUPPLIES TO RESPOND TO ENVIRONMENTAL EMER-*
15 *GENCIES.—*Section 402 of title 10, United States Code, is
16 *amended—*

17 (1) by redesignating subsection (d) as subsection
18 (e); and

19 (2) by inserting after subsection (c) the following
20 new subsection (d):

21 “(d) *RESPONSE TO ENVIRONMENTAL EMERGENCIES.—*
22 *The authority of the Secretary of Defense to transport hu-*
23 *manitarian relief supplies under this section includes the*
24 *authority to transport supplies intended for use to respond*
25 *to, or mitigate the effects of, an event or condition, such*

1 *as an oil spill, that threatens serious harm to the environ-*
2 *ment.”.*

3 (b) *CONDITIONS ON PROVISION OF TRANSPOR-*
4 *TATION.—Subsection (b) of such section is amended—*

5 (1) *in paragraph (1)(C), by inserting “or entity”*
6 *after “people”;*

7 (2) *in paragraph (1)(E), by inserting “or use”*
8 *after “distribution”; and*

9 (3) *in paragraph (3), by striking “donor to en-*
10 *sure that supplies to be transported under this sec-*
11 *tion” and inserting “entity requesting the transport*
12 *of supplies under this section to ensure that the sup-*
13 *plies”.*

14 (c) *PROVISION OF DISASTER ASSISTANCE.—Section*
15 *404 of such title is amended—*

16 (1) *in subsection (a), by inserting “or serious*
17 *harm to the environment” after “loss of lives”; and*

18 (2) *in subsection (c)(2), by inserting “or the en-*
19 *vironment” after “human lives”.*

20 (d) *PROVISION OF HUMANITARIAN ASSISTANCE.—Sec-*
21 *tion 2561(a) of such title is amended—*

22 (1) *by inserting “(1)” before “To the extent”;*
23 *and*

24 (2) *by adding at the end the following new para-*
25 *graph*

1 “(2) *The authority of the Department of Defense to*
2 *provide humanitarian assistance under this section in-*
3 *cludes the authority to transport supplies or provide assist-*
4 *ance intended for use to respond to, or mitigate the effects*
5 *of, an event or condition, such as an oil spill, that threatens*
6 *serious harm to the environment.”.*

7 **SEC. 315. REQUIREMENTS FOR RESTORATION ADVISORY**
8 **BOARDS AND EXEMPTION FROM FEDERAL AD-**
9 **VISORY COMMITTEE ACT.**

10 (a) *MEMBERSHIP AND MEETING REQUIREMENTS FOR*
11 *RESTORATION ADVISORY BOARDS.—The Secretary of De-*
12 *fense shall amend the regulations required by section*
13 *2705(d)(2) of title 10, United States Code, relating to the*
14 *establishment, characteristics, composition, and funding of*
15 *restoration advisory boards to ensure that each restoration*
16 *advisory board complies with the following requirements:*

17 (1) *Each restoration advisory board shall be*
18 *fairly balanced in its membership in terms of the*
19 *points of view represented and the functions to be per-*
20 *formed.*

21 (2) *Unless a closed or partially closed meeting is*
22 *determined to be proper in accordance with one or*
23 *more of the exceptions listed in the section 552b(c) of*
24 *title 5, United States Code, each meeting of a restora-*
25 *tion advisory board shall be—*

1 (A) held at a reasonable time and in a
2 manner or place reasonably accessible to the pub-
3 lic, including individuals with disabilities; and

4 (B) open to the public.

5 (3) Timely notice of each meeting of a restora-
6 tion advisory board shall be published in a local
7 newspaper of general circulation.

8 (4) Interested persons may appear before or file
9 statements with a restoration advisory board, subject
10 to such reasonable restrictions as the Secretary may
11 prescribe.

12 (5) Subject to section 552 of title 5, United
13 States Code, the records, reports, minutes, appendixes,
14 working papers, drafts, studies, agenda, or other doc-
15 uments that were made available to, prepared for, or
16 prepared by each restoration advisory board shall be
17 available for public inspection and copying at a sin-
18 gle, publicly accessible location, such as a public li-
19 brary or an appropriate office of the military instal-
20 lation for which the restoration advisory board is es-
21 tablished, at least until the restoration advisory board
22 is terminated.

23 (6) Detailed minutes of each meeting of each res-
24 toration advisory board shall be kept and shall con-
25 tain a record of the persons present, a complete and

1 *accurate description of matters discussed and conclu-*
2 *sions reached, and copies of all reports received,*
3 *issued, or approved by the restoration advisory board.*

4 *The accuracy of the minutes of a restoration advisory*
5 *board shall be certified by the chairperson of the*
6 *board.*

7 ***(b) FACA EXEMPTION.***—*Section 2705(d)(2) of title 10,*
8 *United States Code, is amended by adding at the end the*
9 *following new subparagraph:*

10 ***“(C) The Federal Advisory Committee Act (5 U.S.C.***

11 *App.) shall not apply to a restoration advisory board estab-*

12 *lished under this subsection.”.*

13 ***SEC. 316. REPORT REGARDING IMPACT OF CIVILIAN COM-***

14 ***MUNITY ENCROACHMENT AND CERTAIN***

15 ***LEGAL REQUIREMENTS ON MILITARY INSTAL-***

16 ***LATIONS AND RANGES.***

17 ***(a) STUDY REQUIRED.***—*The Secretary of Defense shall*
18 *conduct a study on the impact, if any, of the following types*
19 *of activities at military installations and operational*
20 *ranges:*

21 ***(1) Civilian community encroachment on those***

22 *military installations and ranges whose operational*

23 *training activities, research, development, test, and*

24 *evaluation activities, or other operational, test and*

25 *evaluation, maintenance, storage, disposal, or other*

1 support functions require, or in the future reasonably
2 may require, safety or operational buffer areas. The
3 requirement for such a buffer area may be due to a
4 variety of factors, including air operations, ordnance
5 operations and storage, or other activities that gen-
6 erate or might generate noise, electro-magnetic inter-
7 ference, ordnance arcs, or environmental impacts that
8 require or may require safety or operational buffer
9 areas.

10 (2) *Compliance by the Department of Defense*
11 *with State Implementation Plans for Air Quality*
12 *under section 110 of the Clean Air Act (42 U.S.C.*
13 *7410).*

14 (3) *Compliance by the Department of Defense*
15 *with the Solid Waste Disposal Act (42 U.S.C. 6901*
16 *et seq.) and the Comprehensive Environmental Re-*
17 *sponse, Compensation, and Liability Act of 1980 (42*
18 *U.S.C. 9601 et seq.).*

19 (b) *MATTERS TO BE INCLUDED WITH RESPECT TO*
20 *CIVILIAN ENCROACHMENTS.*—*With respect to paragraph*
21 *(1) of subsection (a), the study shall include the following:*

22 (1) *A list of all military installations described*
23 *in subsection (a)(1) at which civilian community en-*
24 *croachment is occurring.*

1 (2) *A description and analysis of the types and*
2 *degree of such civilian community encroachment at*
3 *each military installation included on the list.*

4 (3) *An analysis, including views and estimates*
5 *of the Secretary of Defense, of the current and poten-*
6 *tial future impact of such civilian community en-*
7 *croachment on operational training activities, re-*
8 *search, development, test, and evaluation activities,*
9 *and other significant operational, test and evaluation,*
10 *maintenance, storage, disposal, or other support func-*
11 *tions performed by military installations included on*
12 *the list. The analysis shall include the following:*

13 (A) *A review of training and test ranges at*
14 *military installations, including laboratories*
15 *and technical centers of the military depart-*
16 *ments, included on the list.*

17 (B) *A description and explanation of the*
18 *trends of such encroachment, as well as consider-*
19 *ation of potential future readiness problems re-*
20 *sulting from unabated encroachment.*

21 (4) *An estimate of the costs associated with cur-*
22 *rent and anticipated partnerships between the De-*
23 *partment of Defense and non-Federal entities to cre-*
24 *ate buffer zones to preclude further development*
25 *around military installations included on the list,*

1 *and the costs associated with the conveyance of sur-*
2 *plus property around such military installations for*
3 *purposes of creating buffer zones.*

4 (5) *Options and recommendations for possible*
5 *legislative or budgetary changes necessary to mitigate*
6 *current and anticipated future civilian community*
7 *encroachment problems.*

8 (c) *MATTERS TO BE INCLUDED WITH RESPECT TO*
9 *SPECIFIED LAWS.*—*With respect to paragraphs (2) and (3)*
10 *of subsection (a), the study shall include the following:*

11 (1) *A list of all military installations and other*
12 *locations at which the Armed Forces are encountering*
13 *problems related to compliance with the laws specified*
14 *in such paragraphs.*

15 (2) *A description and analysis of the types and*
16 *degree of compliance problems encountered.*

17 (3) *An analysis, including views and estimates*
18 *of the Secretary of Defense, of the current and poten-*
19 *tial future impact of such compliance problems on the*
20 *following functions performed at military installa-*
21 *tions:*

22 (A) *Operational training activities.*

23 (B) *Research, development, test, and evalua-*
24 *tion activities.*

1 (C) *Other significant operational, test and*
2 *evaluation, maintenance, storage, disposal, or*
3 *other support functions.*

4 (4) *A description and explanation of the trends*
5 *of such compliance problems, as well as consideration*
6 *of potential future readiness problems resulting from*
7 *such compliance problems.*

8 (d) *REPORT.—Not later than January 31, 2004, the*
9 *Secretary of Defense shall submit to the Committee on*
10 *Armed Services of the Senate and the Committee on Armed*
11 *Services of the House of Representatives a report containing*
12 *the results of the study conducted under subsection (a), in-*
13 *cluding the specific matters required to be addressed by*
14 *paragraphs (1) through (5) of subsection (b) and para-*
15 *graphs (1) through (4) of subsection (c).*

16 **SEC. 317. MILITARY READINESS AND CONSERVATION OF**
17 **PROTECTED SPECIES.**

18 (a) *DESIGNATION OF CRITICAL HABITAT.—Section*
19 *4(a)(3) of the Endangered Species Act of 1973 (16 U.S.C.*
20 *1533(a)(3)) is amended by striking “prudent and deter-*
21 *minable” and inserting “necessary”.*

22 (b) *LIMITATION ON DESIGNATION OF CRITICAL HABI-*
23 *TAT.—Section 4(a)(3) of the Endangered Species Act of*
24 *1973 (16 U.S.C. 1533(a)(3)) is amended—*

1 (1) by redesignating subparagraphs (A) and (B)
2 as clauses (i) and (ii), respectively;

3 (2) by inserting “(A)” after “(3)”; and

4 (3) by adding at the end the following:

5 “(B)(i) The Secretary shall not designate as critical
6 habitat any lands or other geographical areas owned or con-
7 trolled by the Department of Defense, or designated for its
8 use, that are subject to an integrated natural resources
9 management plan prepared under section 101 of the Sikes
10 Act (16 U.S.C. 670a), if the Secretary determines that such
11 plan addresses special management considerations or pro-
12 tection (as those terms are used in section 3(5)(A)(i)).

13 “(ii) Nothing in this paragraph affects the requirement
14 to consult under section 7(a)(2) with respect to an agency
15 action (as that term is defined in that section).

16 “(iii) Nothing in this paragraph affects the obligation
17 of the Department of Defense to comply with section 9, in-
18 cluding the prohibition preventing extinction and taking of
19 endangered species and threatened species.”.

20 (c) *CONSIDERATION OF EFFECTS OF DESIGNATION OF*
21 *CRITICAL HABITAT.*—Section 4(b)(2) of the *Endangered*
22 *Species Act of 1973* (16 U.S.C. 1533(b)(2)) is amended by
23 inserting “the impact on national security,” after “the eco-
24 nomic impact,”.

1 **SEC. 318. MILITARY READINESS AND MARINE MAMMAL PRO-**
2 **TECTION.**

3 (a) *DEFINITION OF HARASSMENT.*—Section 3(18) of
4 *the Marine Mammal Protection Act of 1972 (16 U.S.C.*
5 *1362(18)) is amended by striking the matter preceding sub-*
6 *paragraph (B) and inserting the following:*

7 “(18)(A) *The term ‘harassment’ means—*

8 “(i) *any act that injures or has the signifi-*
9 *cant potential to injure a marine mammal or*
10 *marine mammal stock in the wild; or*

11 “(ii) *any act that disturbs or is likely to*
12 *disturb a marine mammal or marine mammal*
13 *stock in the wild by causing disruption of nat-*
14 *ural behavioral patterns, including, but not lim-*
15 *ited to, migration, surfacing, nursing, breeding,*
16 *feeding, or sheltering, to a point where such be-*
17 *havioral patterns are abandoned or significantly*
18 *altered.”.*

19 (b) *EXEMPTION OF ACTIONS NECESSARY FOR NA-*
20 *TIONAL DEFENSE.*—Section 101 of the *Marine Mammal*
21 *Protection Act of 1972 (16 U.S.C. 1371) is amended by in-*
22 *serting after subsection (e) the following:*

23 “(f) *EXEMPTION OF ACTIONS NECESSARY FOR NA-*
24 *TIONAL DEFENSE.*—(1) *The Secretary of Defense, after con-*
25 *ferring with the Secretary of Commerce, the Secretary of*
26 *the Interior, or both, as appropriate, may exempt any ac-*

1 *tion or category of actions undertaken by the Department*
2 *of Defense or its components from compliance with any re-*
3 *quirement of this Act, if the Secretary determines that it*
4 *is necessary for national defense.*

5 “(2) *An exemption granted under this subsection—*

6 “(A) *subject to subparagraph (B), shall be effec-*
7 *tive for a period specified by the Secretary of Defense;*
8 *and*

9 “(B) *shall not be effective for more than 2 years.*

10 “(3)(A) *The Secretary of Defense may issue additional*
11 *exemptions under this subsection for the same action or cat-*
12 *egory of actions, after—*

13 “(i) *conferring with the Secretary of Commerce,*
14 *the Secretary of the Interior, or both as appropriate;*
15 *and*

16 “(ii) *making a new determination that the addi-*
17 *tional exemption is necessary for national defense.*

18 “(B) *Each additional exemption under this paragraph*
19 *shall be effective for a period specified by the Secretary of*
20 *Defense, of not more than 2 years.”.*

21 (c) *INCIDENTAL TAKINGS OF MARINE MAMMALS IN*
22 *MILITARY READINESS ACTIVITIES.—Section 101(a)(5) of*
23 *the Marine Mammal Protection Act of 1972 (16 U.S.C.*
24 *1371(a)(5)) is amended—*

25 (1) *in subparagraph (A)—*

1 (A) by striking “within a specified geo-
2 graphical region”;

3 (B) by striking “within that region of small
4 numbers”; and

5 (C) by adding at the end the following:

6 “Notwithstanding the preceding sentence, the Secretary is
7 not required to publish notice under this subparagraph with
8 respect to incidental takings while engaged in a military
9 readiness activity (as defined in section 315(f) of Public
10 Law 107–314; 16 U.S.C. 703 note) authorized by the Sec-
11 retary of Defense, except in the Federal Register.”;

12 (2) in subparagraph (B)—

13 (A) by striking “within a specified geo-
14 graphical region”; and

15 (B) by striking “within one or more re-
16 gions”; and

17 (3) in subparagraph (D)—

18 (A) in clause (i)—

19 (i) by striking “within a specific geo-
20 graphic region”;

21 (ii) by striking “of small numbers”;

22 and

23 (iii) by striking “within that region”;

24 and

25 (B) by adding at the end the following:

1 “(vi) Notwithstanding clause (iii), the Secretary is not
2 required to publish notice under this subparagraph with re-
3 spect to an authorization under clause (i) of incidental
4 takings while engaged in a military readiness activity (as
5 defined in section 315(f) of Public Law 107–314; 16 U.S.C.
6 703 note) authorized by the Secretary of Defense, except in
7 the Federal Register.”.

8 **SEC. 319. LIMITATION ON DEPARTMENT OF DEFENSE RE-**
9 **SPONSIBILITY FOR CIVILIAN WATER CON-**
10 **SUMPTION IMPACTS RELATED TO FORT**
11 **HUACHUCA, ARIZONA.**

12 (a) *RULE OF CONSTRUCTION.*—For purposes of section
13 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536),
14 in the case of Fort Huachuca, Arizona, the Secretary of the
15 Army may be held responsible for water consumption that
16 occurs on that military installation (or outside of that in-
17 stallation but under the direct authority and control of the
18 Secretary). The Secretary of the Army is not responsible
19 for water consumption that occurs outside of Fort
20 Huachuca and is beyond the direct authority and control
21 of the Secretary even though the water is derived from a
22 watershed basin shared by that military installation and
23 the water consumption outside of that installation may im-
24 pact a critical habitat or endangered species outside the in-
25 stallation.

1 (b) *VOLUNTARY EFFORTS.*—*Nothing in this section*
2 *shall prohibit the Secretary of the Army from voluntarily*
3 *undertaking efforts to mitigate water consumption related*
4 *to Fort Huachuca.*

5 (c) *DEFINITION OF WATER CONSUMPTION.*—*In this*
6 *section, the term “water consumption” means the consump-*
7 *tion of water, from any source, for human purposes of any*
8 *kind, including household or industrial use, irrigation, or*
9 *landscaping.*

10 (d) *EFFECTIVE DATE.*—*This section applies only to*
11 *Department of Defense actions regarding which consulta-*
12 *tion or reconsultation under section 7 of the Endangered*
13 *Species Act of 1973 (16 U.S.C. 1536) is first required with*
14 *regard to Fort Huachuca on or after the date of the enact-*
15 *ment of this Act.*

16 ***SEC. 320. CONSTRUCTION OF WETLAND CROSSINGS, CAMP***
17 ***SHELBY COMBINED ARMS MANEUVER AREA,***
18 ***CAMP SHELBY, MISSISSIPPI.***

19 *Amounts authorized to be appropriated by section*
20 *301(1) for operation and maintenance for the Army shall*
21 *be available to the Secretary of the Army to construct wet-*
22 *lands crossings at the Camp Shelby Combined Arms Ma-*
23 *neuver Area at Camp Shelby, Mississippi, for the purpose*
24 *of ensuring that combat arms training performed at that*

1 *area is conducted in conformance with the spirit and intent*
2 *of applicable environmental laws.*

3 ***Subtitle C—Workplace and Depot***
4 ***Issues***

5 ***SEC. 321. EXCLUSION OF CERTAIN EXPENDITURES FROM***
6 ***PERCENTAGE LIMITATION ON CONTRACTING***
7 ***FOR PERFORMANCE OF DEPOT-LEVEL MAIN-***
8 ***TENANCE AND REPAIR WORKLOADS.***

9 *Section 2474(f)(1) of title 10, United States Code, is*
10 *amended by striking “entered into during fiscal years 2003*
11 *through 2006”.*

12 ***SEC. 322. HIGH-PERFORMING ORGANIZATION BUSINESS***
13 ***PROCESS REENGINEERING PILOT PROGRAM.***

14 *(a) PILOT PROGRAM.—(1) The Secretary of Defense*
15 *shall establish a pilot program under which the Secretary*
16 *of each military department shall administer, or continue*
17 *the implementation of, high-performing organizations at*
18 *military installations through the conduct of a Business*
19 *Process Reengineering initiative.*

20 *(2) The implementation and management of a Busi-*
21 *ness Process Reengineering initiative under the pilot pro-*
22 *gram shall be the responsibility of the commander of the*
23 *military installation at which the Business Process Re-*
24 *engineering initiative is carried out.*

1 (b) *ELIGIBLE ORGANIZATIONS.*—*Two types of organi-*
2 *zations are eligible for selection to participate in the pilot*
3 *program:*

4 (1) *Organizations that underwent a Business*
5 *Process Reengineering initiative within the preceding*
6 *five years, achieved major performance enhancements*
7 *under the initiative, and will be able to sustain pre-*
8 *vious or achieve new performance goals through the*
9 *continuation of its existing or completed Business*
10 *Process Reengineering plan.*

11 (2) *Organizations that have not undergone or*
12 *have not successfully completed a Business Process*
13 *Reengineering initiative, but which propose to*
14 *achieve, and reasonably could reach, enhanced per-*
15 *formance goals through implementation of a Business*
16 *Process Reengineering initiative.*

17 (c) *ADDITIONAL ELIGIBILITY REQUIREMENTS.*—(1) *To*
18 *be eligible for selection to participate in the pilot program*
19 *under subsection (b)(1), an organization described in such*
20 *subsection must be able to demonstrate the completion of*
21 *a total organizational assessment that resulted in enhanced*
22 *performance measures at least comparable to those that*
23 *might be achieved through competitive sourcing.*

1 (2) *To be eligible for selection to participate in the*
2 *pilot program under subsection (b)(2), an organization de-*
3 *scribed in such subsection must be able to identify—*

4 (A) *functions, processes, and measures to be stud-*
5 *ied under the Business Process Reengineering initia-*
6 *tive;*

7 (B) *adequate resources for assignment to carry*
8 *out the Business Process Reengineering initiative;*
9 *and*

10 (C) *labor/management agreements in place to en-*
11 *sure effective implementation of the Business Process*
12 *Reengineering initiative.*

13 (d) *PILOT PROGRAM LIMITATIONS.—The pilot pro-*
14 *gram shall be subject to the following limitations:*

15 (1) *Total participants is limited to 15 military*
16 *installations, with some participants to be drawn*
17 *from organizations described in subsection (b)(1) and*
18 *some participants drawn from organizations de-*
19 *scribed in subsection (b)(2).*

20 (2) *During the implementation period for the*
21 *Business Process Reengineering initiative, but not to*
22 *exceed one year, a participating organization shall*
23 *not be subject to any Office of Management and*
24 *Budget Circular A-76 competition or other public-*

1 *private competition involving any function covered by*
2 *the Business Process Reengineering initiative.*

3 *(e) EFFECT OF SUCCESSFUL IMPLEMENTATION.—An*
4 *organization designated as a high-performing organization*
5 *as a result of successful implementation of a Business Proc-*
6 *ess Reengineering initiative under the pilot program shall*
7 *be exempt, during the five-year period following such des-*
8 *ignation, from any Office of Management and Budget Cir-*
9 *cular A-76 competition or other public-private competition*
10 *involving any function that was studied under the Business*
11 *Process Reengineering initiative.*

12 *(f) REVIEWS AND REPORTS.—The Secretaries of the*
13 *military departments shall conduct annual performance re-*
14 *views of the participating organizations or functions within*
15 *their respective departments. Reviews and reports shall*
16 *evaluate organizational performance measures or functional*
17 *performance measures and determine whether organizations*
18 *are performing satisfactorily for purposes of continuing*
19 *participation in the pilot program.*

20 *(g) PERFORMANCE MEASURES.—Performance meas-*
21 *ures should include the following, which shall be measured*
22 *against organizational baselines determined before partici-*
23 *pation in the pilot program:*

24 *(1) Costs, savings, and overall financial perform-*
25 *ance of the organization.*

1 (2) *Organic knowledge, skills or expertise.*

2 (3) *Efficiency and effectiveness of key functions*
3 *or processes.*

4 (4) *Efficiency and effectiveness of the overall or-*
5 *ganization.*

6 (5) *General customer satisfaction.*

7 (h) *DEFINITIONS.—In this section*

8 (1) *The term “high-performing organization”*
9 *means an organization whose performance exceeds*
10 *that of comparable providers, whether public or pri-*
11 *vate.*

12 (2) *The term “Business Process Reengineering”*
13 *refers to an organization’s complete and thorough*
14 *analysis and reengineering of mission and support*
15 *functions and processes to achieve improvements in*
16 *performance, including a fundamental reshaping of*
17 *the way work is done to better support an organiza-*
18 *tion’s mission and reduce costs.*

19 **SEC. 323. DELAYED IMPLEMENTATION OF REVISED OFFICE**
20 **OF MANAGEMENT AND BUDGET CIRCULAR A-**
21 **76 BY DEPARTMENT OF DEFENSE PENDING**
22 **REPORT.**

23 (a) *LIMITATION PENDING REPORT.—No studies or*
24 *competitions may be conducted under the policies and pro-*
25 *cedures contained in any revisions to Office of Management*

1 *and Budget Circular A-76, as the circular exists as of May*
2 *1, 2003, for possible contracting out of work being per-*
3 *formed, as of such date, by employees of the Department*
4 *of Defense, until the end of the 45-day period beginning*
5 *on the date on which the Secretary of Defense submits to*
6 *Congress a report on the impacts and effects of the revisions.*

7 (b) *CONTENT OF REPORT.*—*The report required by*
8 *subsection (a) shall contain, at a minimum, specific infor-*
9 *mation regarding the following:*

10 (1) *The extent to which the revisions will ensure*
11 *that employees of the Department of Defense have the*
12 *opportunity to compete to retain their jobs.*

13 (2) *The extent to which the revisions will provide*
14 *appeal and protest rights to employees of the Depart-*
15 *ment of Defense that are equivalent to those available*
16 *to contractors.*

17 (3) *Identify safeguards in the revisions to ensure*
18 *that all public-private competitions are fair, appro-*
19 *priate, and comply with requirements of full and*
20 *open competition.*

21 (4) *The plans and strategies of the Department*
22 *to ensure an appropriate phase-in period for the revi-*
23 *sions, as recommended by the Commercial Activities*
24 *Panel of the Government Accounting Office in its*
25 *April 2002 report to Congress, including rec-*

1 *ommendations for any legislative changes that may be*
2 *required to ensure a smooth and efficient phase-in pe-*
3 *riod.*

4 (5) *The plans and strategies of the Department*
5 *to collect and analyze data on the costs and quality*
6 *of work contracted out or retained in-house as a result*
7 *of a sourcing process conducted under the revised Of-*
8 *fice of Management and Budget circular A-76.*

9 **SEC. 324. NAVAL AVIATION DEPOTS MULTI-TRADES DEM-**
10 **ONSTRATION PROJECT.**

11 (a) *DEMONSTRATION PROJECT REQUIRED.—In ac-*
12 *cordance with section 4703 of title 5, United States Code,*
13 *the Secretary of the Navy shall establish a demonstration*
14 *project under which three Naval Aviation Depots are given*
15 *the flexibility to promote by one grade level workers who*
16 *are certified at the journey level as able to perform multiple*
17 *trades.*

18 (b) *SELECTION REQUIREMENTS.—As a condition on*
19 *eligibility for selection to participate in the demonstration*
20 *project, a Naval Aviation Depot shall submit to the Sec-*
21 *retary a business case analysis and concept plan—*

22 (1) *that, on the basis of the results of analysis*
23 *of work processes, demonstrate that process improve-*
24 *ments would result from the trade combinations pro-*

1 *posed to be implemented under the demonstration*
2 *project; and*

3 *(2) that describes the resulting improvements in*
4 *cost, quality, or schedule.*

5 *(c) PARTICIPATING WORKERS.—(1) Actual worker*
6 *participation in the demonstration project shall be deter-*
7 *mined through competitive selection. Not more than 15 per-*
8 *cent of the wage grade journeyman at a demonstration*
9 *project location may be selected to participate.*

10 *(2) Job descriptions and competency-based training*
11 *plans must be developed for each worker while in training*
12 *under the demonstration project and once certified as a*
13 *multi-trade worker. A certified multi-trade worker who re-*
14 *ceives a pay grade promotion under the demonstration*
15 *project must use each new skill during at least 25 percent*
16 *of the worker's work week.*

17 *(d) FUNDING SOURCE.—Amounts appropriated for op-*
18 *eration and maintenance of the Naval Aviation Depots se-*
19 *lected to participate in the demonstration project shall be*
20 *used as the source of funds to carry out the demonstration*
21 *project, including the source of funds for pay increases*
22 *made under the project.*

23 *(e) DURATION.—The demonstration project shall be*
24 *conducted during fiscal years 2004 through 2006.*

1 (f) *REPORT.*—Not later than January 15, 2007, the
2 Secretary shall submit a report to Congress describing the
3 results of the demonstration project.

4 (g) *GAO EVALUATION.*—The Secretary shall transmit
5 a copy the report to the Comptroller General. Within 90
6 days after receiving a report, the Comptroller General shall
7 submit to Congress an evaluation of the report.

8 ***Subtitle D—Information***
9 ***Technology***

10 ***SEC. 331. PERFORMANCE-BASED AND RESULTS-BASED MAN-***
11 ***AGEMENT REQUIREMENTS FOR CHIEF INFOR-***
12 ***MATION OFFICERS OF DEPARTMENT OF DE-***
13 ***FENSE.***

14 (a) *ACCOUNTABILITY.*—Section 2223 of title 10,
15 United States Code, is amended—

16 (1) by redesignating subsection (c) as subsection
17 (e); and

18 (2) by inserting after subsection (b) the following
19 new subsection:

20 “(c) *PERFORMANCE-BASED AND RESULTS-BASED MAN-*
21 *AGEMENT.*—In addition to the responsibilities provided for
22 in subsections (a) and (b), the Chief Information Officer
23 of the Department of Defense and the Chief Information Of-
24 ficer of a military department shall—

1 “(1) encourage the use of performance-based and
2 results-based management in fulfilling the responsibil-
3 ities provided for in subsections (a) and (b), as appli-
4 cable;

5 “(2) evaluate the information resources manage-
6 ment practices of the department concerned with re-
7 spect to the performance and results of the invest-
8 ments made by the department in information tech-
9 nology;

10 “(3) establish effective and efficient capital plan-
11 ning processes for selecting, managing, and evalu-
12 ating the results of all of the department’s major in-
13 vestments in information systems;

14 “(4) ensure that any analysis of the missions of
15 the department is adequate and make recommenda-
16 tions, as appropriate, on the department’s mission-re-
17 lated processes, administrative processes, and any sig-
18 nificant investments in information technology to be
19 used in support of those missions; and

20 “(5) ensure that information security policies,
21 procedures, and practices are adequate.”.

22 (b) *DEFENSE AGENCY RESPONSIBILITIES*.—Section
23 2223 of title 10, United States Code, is further amended
24 by inserting after subsection (c), as added by subsection (a),
25 the following new subsection:

1 “(d) *DEFENSE AGENCIES AND FIELD ACTIVITIES.*—
 2 *The Secretary of Defense shall require the Director of each*
 3 *Defense Agency and Department of Defense Field Activity*
 4 *to ensure that the responsibilities set forth in subsections*
 5 *(b) and (c) for Chief Information Officers of military de-*
 6 *partments are carried out within the Agency or Field Activ-*
 7 *ity by any officer or employee acting as a chief information*
 8 *officer or carrying out duties similar to a chief information*
 9 *officer.”.*

10 ***Subtitle E—Other Matters***

11 ***SEC. 341. CATALOGING AND STANDARDIZATION FOR DE-*** 12 ***FENSE SUPPLY MANAGEMENT.***

13 (a) *STANDARDIZATION METHODS.*—*Section 2451 of*
 14 *title 10, United States Code, is amended to read as follows:*

15 ***“§ 2451. Defense supply management***

16 “(a) *SINGLE CATALOG SYSTEM.*—*The Secretary of De-*
 17 *fense shall adopt, implement and maintain a single catalog*
 18 *system for standardizing supplies for the Department of De-*
 19 *fense. The single catalog system shall be used for each sup-*
 20 *ply the Department uses, buys, stocks, or distributes.*

21 “(b) *STANDARDIZATION REQUIREMENTS.*—*To the*
 22 *highest degree practicable, the Secretary of Defense shall—*

23 “(1) *adopt and use single commercial standards*
 24 *or voluntary standards, in consultation with industry*
 25 *advisory groups, in order to eliminate overlapping*

1 *and duplicate specifications for supplies for the De-*
2 *partment of Defense and to reduce the number of sizes*
3 *and kind of supplies that are generally similar;*

4 *“(2) standardize the methods of packing, pack-*
5 *aging, and preserving supplies; and*

6 *“(3) make efficient use of the services and facili-*
7 *ties for inspecting, testing, and accepting supplies.*

8 *“(c) CONSULTATION AND COOPERATION.—The Sec-*
9 *retary of Defense shall maintain liaison with industry ad-*
10 *visory groups to coordinate the development of the supply*
11 *catalog and the standardization program with the best*
12 *practices of industry and to obtain the fullest practicable*
13 *cooperation and participation of industry in developing the*
14 *supply catalog and the standardization program.”.*

15 *(b) EQUIPMENT STANDARDIZATION WITH NATO MEM-*
16 *BERS.—Section 2457 of such title is amended by striking*
17 *subsection (d).*

18 *(c) CONFORMING REPEALS.—(1) Chapter 145 of such*
19 *title is amended by striking sections 2452, 2453, and 2454.*

20 *(2) The table of sections at the beginning of such chap-*
21 *ter is amended by striking the items related to sections*
22 *2452, 2453, and 2454.*

1 **SEC. 342. SPACE-AVAILABLE TRANSPORTATION FOR DE-**
2 **PENDENTS OF MEMBERS ASSIGNED TO OVER-**
3 **SEAS DUTY LOCATIONS FOR CONTINUOUS PE-**
4 **RIOD IN EXCESS OF ONE YEAR.**

5 (a) *IN GENERAL.*—Chapter 157 of title 10, United
6 States Code, is amended by adding at the end the following
7 new section:

8 **“§ 2648. Dependents of members assigned to overseas**
9 **duty locations for continuous period in ex-**
10 **cess of one year: space-available transpor-**
11 **tation**

12 “(a) *AUTHORITY.*—The Secretary of Defense shall au-
13 thorize travel on Government aircraft on a space-available
14 basis for dependents of members on active duty assigned
15 to duty at an overseas location as described in subsection
16 (b) to the same extent as such travel is authorized for a
17 dependent of a member assigned to that duty location in
18 a permanent change of station status.

19 “(b) *DUTY STATUS COVERED.*—Duty at an overseas
20 location described in this subsection is duty for a contin-
21 uous period in excess of one year that is in a temporary
22 duty status or that is in a permanent duty status without
23 change of station.

24 “(c) *TYPES OF TRANSPORTATION AUTHORIZED.*—If
25 authorized for other members at that duty location, travel
26 provided under this section may include (1) travel between

1 *the overseas duty location and the United States and re-*
 2 *turn, and (2) travel between the overseas duty location and*
 3 *another overseas location and return.*

4 “(d) *ALASKA AND HAWAII.*—*For purposes of this sec-*
 5 *tion, duty in Alaska or Hawaii shall be considered to be*
 6 *duty at an overseas location.*”.

7 (b) *CLERICAL AMENDMENT.*—*The table of sections at*
 8 *the beginning of such chapter is amended by adding at the*
 9 *end the following new item:*

“2648. Dependents of members assigned to overseas duty locations for continuous period in excess of one year: space-available transportation.”.

10 ***SEC. 343. PRESERVATION OF AIR FORCE RESERVE WEATH-***
 11 ***ER RECONNAISSANCE MISSION.***

12 *The Secretary of Defense shall not disestablish, dis-*
 13 *continue, or transfer the weather reconnaissance mission of*
 14 *the Air Force Reserve unless the Secretary determines that*
 15 *another organization or entity can demonstrate that it has*
 16 *the capability to perform the same mission with the same*
 17 *capability as the Air Force Reserve.*

18 ***TITLE IV—MILITARY PERSONNEL***
 19 ***AUTHORIZATIONS***

20 ***Subtitle A—Active Forces***

21 ***SEC. 401. END STRENGTHS FOR ACTIVE FORCES.***

22 *The Armed Forces are authorized strengths for active*
 23 *duty personnel as of September 30, 2004, as follows:*

24 (1) *The Army, 482,375.*

1 (2) *The Navy, 375,700.*

2 (3) *The Marine Corps, 175,000.*

3 (4) *The Air Force, 361,268.*

4 **SEC. 402. REVISION IN PERMANENT ACTIVE DUTY END**
5 **STRENGTH MINIMUM LEVELS.**

6 *Effective October 1, 2003, section 691(b) of title 10,*
7 *United States Code, is amended as follows:*

8 (1) *ARMY.—Paragraph (1) is amended by strik-*
9 *ing “480,000” and inserting “482,375”.*

10 (2) *AIR FORCE.—Paragraph (4) is amended by*
11 *striking “359,000” and inserting “361,268”.*

12 **Subtitle B—Reserve Forces**

13 **SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

14 (a) *IN GENERAL.—The Armed Forces are authorized*
15 *strengths for Selected Reserve personnel of the reserve com-*
16 *ponents as of September 30, 2004, as follows:*

17 (1) *The Army National Guard of the United*
18 *States, 350,000.*

19 (2) *The Army Reserve, 205,000.*

20 (3) *The Naval Reserve, 85,900.*

21 (4) *The Marine Corps Reserve, 39,600.*

22 (5) *The Air National Guard of the United*
23 *States, 107,000.*

24 (6) *The Air Force Reserve, 75,800.*

25 (7) *The Coast Guard Reserve, 10,000.*

1 (b) *ADJUSTMENTS.*—*The end strengths prescribed by*
2 *subsection (a) for the Selected Reserve of any reserve compo-*
3 *nent shall be proportionately reduced by—*

4 (1) *the total authorized strength of units orga-*
5 *nized to serve as units of the Selected Reserve of such*
6 *component which are on active duty (other than for*
7 *training) at the end of the fiscal year; and*

8 (2) *the total number of individual members not*
9 *in units organized to serve as units of the Selected*
10 *Reserve of such component who are on active duty*
11 *(other than for training or for unsatisfactory partici-*
12 *pation in training) without their consent at the end*
13 *of the fiscal year.*

14 *Whenever such units or such individual members are re-*
15 *leased from active duty during any fiscal year, the end*
16 *strength prescribed for such fiscal year for the Selected Re-*
17 *serve of such reserve component shall be proportionately in-*
18 *creased by the total authorized strengths of such units and*
19 *by the total number of such individual members.*

20 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE**
21 **DUTY IN SUPPORT OF THE RESERVES.**

22 *Within the end strengths prescribed in section 411(a),*
23 *the reserve components of the Armed Forces are authorized,*
24 *as of September 30, 2004, the following number of Reserves*
25 *to be serving on full-time active duty or full-time duty, in*

1 *the case of members of the National Guard, for the purpose*
2 *of organizing, administering, recruiting, instructing, or*
3 *training the reserve components:*

4 (1) *The Army National Guard of the United*
5 *States, 25,386.*

6 (2) *The Army Reserve, 14,374.*

7 (3) *The Naval Reserve, 14,384.*

8 (4) *The Marine Corps Reserve, 2,261.*

9 (5) *The Air National Guard of the United*
10 *States, 12,140.*

11 (6) *The Air Force Reserve, 1,660.*

12 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS**
13 **(DUAL STATUS).**

14 *The minimum number of military technicians (dual*
15 *status) as of the last day of fiscal year 2004 for the reserve*
16 *components of the Army and the Air Force (notwith-*
17 *standing section 129 of title 10, United States Code) shall*
18 *be the following:*

19 (1) *For the Army National Guard of the*
20 *United States, 24,589.*

21 (2) *For the Army Reserve, 7,844.*

22 (3) *For the Air National Guard of the*
23 *United States, 22,806.*

24 (4) *For the Air Force Reserve, 9,991.*

1 **SEC. 414. FISCAL YEAR 2004 LIMITATION ON NON-DUAL STA-**
2 **TUS TECHNICIANS.**

3 *The number of non-dual status technicians of a reserve*
4 *component of the Army or the Air Force as of September*
5 *30, 2004, may not exceed the following:*

6 (1) *For the Army Reserve, 910.*

7 (2) *For the Army National Guard of the United*
8 *States, 1,600.*

9 (3) *For the Air Force Reserve, 90.*

10 (4) *For the Air National Guard of the United*
11 *States, 350.*

12 **SEC. 415. PERMANENT LIMITATIONS ON NUMBER OF NON-**
13 **DUAL STATUS TECHNICIANS.**

14 *Section 10217(c) of title 10, United States Code, is*
15 *amended by striking “and Air Force Reserve may not ex-*
16 *ceed 175” and inserting “may not exceed 595 and by the*
17 *Air Force Reserve may not exceed 90”.*

18 ***Subtitle C—Authorizations of***
19 ***Appropriations***

20 **SEC. 421. MILITARY PERSONNEL.**

21 *There is hereby authorized to be appropriated to the*
22 *Department of Defense for military personnel for fiscal year*
23 *2004 a total of \$98,938,511,000. The authorization in the*
24 *preceding sentence supersedes any other authorization of*
25 *appropriations (definite or indefinite) for such purpose for*
26 *fiscal year 2004.*

1 **SEC. 422. ARMED FORCES RETIREMENT HOME.**

2 *There is hereby authorized to be appropriated for fiscal*
3 *year 2004 from the Armed Forces Retirement Home Trust*
4 *Fund the sum of \$65,279,000 for the operation of the Armed*
5 *Forces Retirement Home.*

6 **TITLE V—MILITARY PERSONNEL**
7 **POLICY**

8 **Subtitle A—General and Flag**
9 **Officer Matters**

10 **SEC. 501. STANDARDIZATION OF QUALIFICATIONS FOR AP-**
11 **POINTMENT AS SERVICE CHIEF.**

12 (a) *CHIEF OF NAVAL OPERATIONS.—Section*
13 *5033(a)(1) of title 10, United States Code, is amended by*
14 *striking “from officers on the active-duty list in the line*
15 *of the Navy who are eligible to command at sea and who*
16 *hold the grade of rear admiral or above” and inserting “flag*
17 *officers of the Navy”.*

18 (b) *COMMANDANT OF THE MARINE CORPS.—Section*
19 *5043(a)(1) of title 10, United States Code, is amended by*
20 *striking “from officers on the active-duty list of the Marine*
21 *Corps not below the grade of colonel” and inserting “general*
22 *officers of the Marine Corps”.*

1 ***Subtitle B—Other Officer Personnel***
2 ***Policy Matters***

3 ***SEC. 511. REPEAL OF PROHIBITION ON TRANSFER BE-***
4 ***TWEEN LINE OF THE NAVY AND NAVY STAFF***
5 ***CORPS APPLICABLE TO REGULAR NAVY OFFI-***
6 ***CERS IN GRADES ABOVE LIEUTENANT COM-***
7 ***MANDER.***

8 (a) *REPEAL.*—Section 5582 of title 10, United States
9 Code, is repealed.

10 (b) *CLERICAL AMENDMENT.*—The table of sections at
11 the beginning of chapter 539 of such title is amended by
12 striking the item relating to section 5582.

13 ***SEC. 512. RETENTION OF HEALTH PROFESSIONS OFFICERS***
14 ***TO FULFILL ACTIVE-DUTY SERVICE COMMIT-***
15 ***MENTS FOLLOWING PROMOTION NONSELEC-***
16 ***TION.***

17 (a) *IN GENERAL.*—Section 632 of title 10, United
18 States Code, is amended—

19 (1) in subsection (a)(1), by inserting “except as
20 provided in paragraph (3) and in subsection (c),” be-
21 fore “be discharged”; and

22 (3) by adding at the end the following new sub-
23 section:

24 “(c)(1) If a health professions officer described in para-
25 graph (2) is subject to discharge under subsection (a)(1)

1 *and, as of the date on which the officer is to be discharged*
2 *under that paragraph, the officer has not completed a pe-*
3 *riod of active duty service obligation that the officer in-*
4 *curred under section 2005, 2114, 2123, or 2603 of this title,*
5 *the officer shall be retained on active duty until completion*
6 *of such active duty service obligation, and then be dis-*
7 *charged under that subsection, unless sooner retired or dis-*
8 *charged under another provision of law.*

9 “(2) *The Secretary concerned may waive the applica-*
10 *bility of paragraph (1) to any officer if the Secretary deter-*
11 *mines that completion of the active duty service obligation*
12 *of that officer is not in the best interest of the service.*

13 “(3) *This subsection applies to a medical officer or*
14 *dental officer or an officer appointed in a medical skill*
15 *other than as a medical officer or dental officer (as defined*
16 *in regulations prescribed by the Secretary of Defense).”.*

17 (b) *TECHNICAL AMENDMENTS.—Sections 630(2),*
18 *631(a)(3), and 632(a)(3) of such title are amended by strik-*
19 *ing “clause” and inserting “paragraph”.*

20 (c) *EFFECTIVE DATE.—The amendments made by sub-*
21 *section (a) shall not apply in the case of an officer who*
22 *as of the date of the enactment of this Act is required to*
23 *be discharged under section 632(a)(1) of title 10, United*
24 *States Code, by reason of having failed of selection for pro-*
25 *motion to the next higher regular grade a second time.*

1 **SEC. 513. INCREASED FLEXIBILITY FOR VOLUNTARY RE-**
2 **TIREMENT FOR MILITARY OFFICERS.**

3 (a) *IN GENERAL.*—Section 1370 of title 10, United
4 States Code, is amended—

5 (1) *in subsection (a)*—

6 (A) *in paragraph (1)*—

7 (i) *by striking “except as provided in*
8 *paragraph (2)” and inserting “subject to*
9 *paragraphs (2) and (3)”*; and

10 (ii) *by striking “, for not less than six*
11 *months”*;

12 (B) *by redesignating paragraph (3) as*
13 *paragraph (4)*; and

14 (C) *by striking paragraph (2) and inserting*
15 *the following:*

16 “(2) *In order to be eligible for voluntary retirement*
17 *under this title in a grade below the grade of lieutenant*
18 *colonel or commander, a commissioned officer of the Army,*
19 *Navy, Air Force, or Marine Corps covered by paragraph*
20 *(1) must have served on active duty in that grade for not*
21 *less than six months.*

22 “(3)(A) *In order to be eligible for voluntary retirement*
23 *in a grade above major or lieutenant commander and below*
24 *brigadier general or rear admiral (lower half), a commis-*
25 *sioned officer of the Army, Navy, Air Force, or Marine*
26 *Corps covered by paragraph (1) must have served on active*

1 *duty in that grade for not less than three years, except that*
2 *the Secretary of Defense may authorize the Secretary of the*
3 *military department concerned to reduce such period to a*
4 *period not less than two years.*

5 “(B) *In order to be eligible for voluntary retirement*
6 *in a grade above colonel or captain, in the case of the Navy,*
7 *a commissioned officer of the Army, Navy, Air Force, or*
8 *Marine Corps covered by paragraph (1) must have served*
9 *on active duty in that grade for not less than one year.*

10 “(C) *An officer in a grade above major general or rear*
11 *admiral may be retired in the highest grade in which the*
12 *officer served on active duty satisfactorily for not less than*
13 *one year, upon approval by the Secretary of the military*
14 *department concerned and concurrence by the Secretary of*
15 *Defense. The function of the Secretary of Defense under the*
16 *preceding sentence may only be delegated to a civilian offi-*
17 *cial in the Office of the Secretary of Defense appointed by*
18 *the President, by and with the advice and consent of the*
19 *Senate.*

20 “(D) *The President may waive subparagraph (A), (B)*
21 *or (C) in individual cases involving extreme hardship or*
22 *exceptional or unusual circumstances. The authority of the*
23 *President under the preceding sentence may not be dele-*
24 *gated.”;*

1 (2) *in subsection (b), by inserting “or whose*
2 *service on active duty in that grade was not deter-*
3 *mined to be satisfactory by the Secretary of the mili-*
4 *tary department concerned” after “specified in sub-*
5 *section (a)”;*

6 (3) *by striking subsection (c); and*

7 (4) *by redesignating subsection (d) as subsection*
8 *(c) and in that subsection—*

9 (A) *in paragraph (3)—*

10 (i) *in subparagraph (A)—*

11 (I) *by inserting “(i)” after*
12 *“(3)(A)”;*

13 (II) *by inserting “and below brig-*
14 *adier general or rear admiral (lower*
15 *half)” after “lieutenant commander”;*

16 (III) *by inserting “, except that*
17 *the Secretary of Defense may authorize*
18 *the Secretary of the military depart-*
19 *ment concerned to reduce such period*
20 *to a period not less than two years”*
21 *after “three years”; and*

22 (IV) *by adding at the end the fol-*
23 *lowing new clauses:*

24 “(ii) *In order to be credited with satisfactory service*
25 *in a grade above colonel or captain, in the case of the Navy,*

1 a person covered by paragraph (1) must have served satis-
2 factorily in that grade (as determined by the Secretary of
3 the military department concerned) as a reserve commis-
4 sioned officer in active status, or in a retired status on ac-
5 tive duty, for not less than one year.

6 “(iii) An officer covered by paragraph (1) who is in
7 a grade above the grade of major general or rear admiral
8 may be retired in the highest grade in which the officer
9 served satisfactorily for not less than one year, upon ap-
10 proval by the Secretary of the military department con-
11 cerned and concurrence by the Secretary of Defense. The
12 function of the Secretary of Defense under the preceding
13 sentence may only be delegated to a civilian official in the
14 Office of the Secretary of Defense appointed by the presi-
15 dent, by and with the advice and consent of the Senate.”;

16 (ii) in subparagraphs (D) and (E), by
17 striking subparagraph (A)” and inserting
18 “subparagraph (A)(i)”; and

19 (iii) by striking subparagraph (F);

20 and

21 (B) by striking paragraphs (5) and (6); and

22 (5) by striking subsection (e).

23 (b) CONFORMING AMENDMENTS.—Section 1406(i)(2)
24 of such title is amended—

1 (1) *in the paragraph heading, by striking “MEM-*
 2 *BERS” and all that follows through “SATISFAC-*
 3 *TORILY” and inserting “ENLISTED MEMBERS RE-*
 4 *DUCED IN GRADE”;*

5 (2) *by striking “a member” and inserting “an*
 6 *enlisted member”;*

7 (3) *by striking “1998—” and all that follows*
 8 *through “is reduced in” and inserting “1998, is re-*
 9 *duced in”;*

10 (4) *by striking “; or” and inserting a period;*
 11 *and*

12 (5) *by striking subparagraph (B).*

13 (c) *EFFECTIVE DATE.—The amendments made by this*
 14 *section shall apply with respect to the determination of the*
 15 *retired grade of members of the Armed Forces retiring on*
 16 *or after the date of the enactment of this Act.*

17 ***Subtitle C—Reserve Component***
 18 ***Matters***

19 ***SEC. 521. STREAMLINED PROCESS FOR CONTINUATION OF***
 20 ***OFFICERS ON THE RESERVE ACTIVE-STATUS***
 21 ***LIST.***

22 (a) *REPEAL OF REQUIREMENT FOR USE OF SELEC-*
 23 *TION BOARDS.—Section 14701 of title 10, United States*
 24 *Code, is amended—*

25 (1) *in subsection (a)—*

1 (A) in paragraph (1), by striking “by a se-
2 lection board convened under section 14101(b) of
3 this title” and inserting “under regulations pre-
4 scribed by the Secretary of Defense; and

5 (B) in paragraph (6), by striking “as a re-
6 sult of the convening of a selection board under
7 section 14101(b) of this title” and inserting
8 “under regulations prescribed under paragraph
9 (1)”;

10 (2) by striking subsections (b) and (c); and

11 (3) by redesignating subsection (d) as subsection
12 (b).

13 (b) *CONFORMING AMENDMENTS.*—(1) Section 14101(b)
14 of such title is amended—

15 (A) by striking “CONTINUATION BOARDS” and
16 inserting “SELECTIVE EARLY SEPARATION BOARDS”;

17 (B) by striking paragraph (1);

18 (C) by redesignating paragraphs (2) and (3) as
19 paragraphs (1) and (2), respectively; and

20 (D) by striking the last sentence.

21 (2) Section 14102(a) of such title is amended by strik-
22 ing “Continuation boards” and inserting “Selection boards
23 convened under section 14101(b) of this title”.

1 *armed force and who becomes a member of the Ready Re-*
2 *serve under any provision of law other than section 513*
3 *or 10145(b) of this title shall be required, while in the*
4 *Ready Reserve, to participate in a combination of drills,*
5 *training periods, and active duty equivalent to 38 days (ex-*
6 *clusive of travel) during each year.*

7 “(2) *The Secretary of Defense, and the Secretary of*
8 *Homeland Security with respect to the Coast Guard when*
9 *it is not operating as a service in the Navy, may prescribe*
10 *regulations providing specific exceptions for the require-*
11 *ments of paragraph (1).”.*

12 **SEC. 524. AUTHORITY FOR DELEGATION OF REQUIRED SEC-**
13 **RETARIAL SPECIAL FINDING FOR PLACE-**
14 **MENT OF CERTAIN RETIRED MEMBERS IN**
15 **READY RESERVE.**

16 *The last sentence of section 10145(d) of title 10, United*
17 *States Code, is amended to read as follows: “The authority*
18 *of the Secretary concerned under the preceding sentence*
19 *may not be delegated—*

20 “(1) *to a civilian officer or employee of the mili-*
21 *tary department concerned below the level of the As-*
22 *stant Secretary of the military department con-*
23 *cerned; or*

24 “(2) *to a member of the armed forces below the*
25 *level of the lieutenant general or vice admiral in an*

1 armed force with responsibility for military personnel
2 policy in that armed force.”.

3 **SEC. 525. AUTHORITY TO PROVIDE EXPENSES OF ARMY AND**
4 **AIR STAFF PERSONNEL AND NATIONAL**
5 **GUARD BUREAU PERSONNEL ATTENDING NA-**
6 **TIONAL CONVENTIONS OF CERTAIN MILI-**
7 **TARY ASSOCIATIONS.**

8 (a) *AUTHORITY.*—Section 107(a)(2) of title 32, United
9 States Code, is amended—

10 (1) by striking “officers” and inserting “mem-
11 bers”;

12 (2) by striking “Army General Staff” and in-
13 serting “Army Staff”; and

14 (3) by striking “National Guard Association of
15 the United States” and inserting “, Enlisted Associa-
16 tion of the National Guard of the United States, Na-
17 tional Guard Association of the United States,”.

18 (b) *EFFECTIVE DATE.*—The amendments made by sub-
19 section (a) shall not apply with respect to funds appro-
20 priated for a fiscal year before fiscal year 2004.

1 ***Subtitle D—Military Education and***
2 ***Training***

3 ***SEC. 531. AUTHORITY FOR THE MARINE CORPS UNIVERSITY***
4 ***TO AWARD THE DEGREE OF MASTER OF***
5 ***OPERATIONAL STUDIES.***

6 (a) *AUTHORITY.*—Section 7102 of title 10, United
7 States Code, is amended—

8 (1) *by redesignating subsections (c) and (d) as*
9 *subsections (d) and (e), respectively; and*

10 (2) *by inserting after subsection (b) the following*
11 *new subsection (c):*

12 “(c) *COMMAND AND STAFF COLLEGE OF THE MARINE*
13 *CORP UNIVERSITY.*—Upon the recommendation of the Di-
14 rector and faculty of the Command and Staff College of the
15 Marine Corps University, the President of the Marine Corps
16 University may confer the degree of master of operational
17 studies upon graduates of the Command and Staff College’s
18 School of Advanced Warfighting who fulfill the require-
19 ments for that degree.”.

20 (b) *EFFECTIVE DATE.*—The authority to confer the de-
21 gree of master of operational studies under section 7102(c)
22 of title 10, United States Code (as added by subsection (a))
23 may not be exercised until the Secretary of Education deter-
24 mines, and certifies to the President of the Marine Corps
25 University, that the requirements established by the Com-

1 *mand and General Staff College of the Marine Corps Uni-*
2 *versity for that degree are in accordance with generally ap-*
3 *plicable requirements for a degree of master of arts. Upon*
4 *receipt of such a certification, the President of the Univer-*
5 *sity shall promptly transmit a copy of the certification to*
6 *the Committee on Armed Services of the Senate and Com-*
7 *mittee on Armed Services of the House of Representatives.*

8 **SEC. 532. EXPANDED EDUCATIONAL ASSISTANCE AUTHOR-**
9 **ITY FOR CADETS AND MIDSHIPMEN RECEIV-**
10 **ING ROTC SCHOLARSHIPS.**

11 *(a) FINANCIAL ASSISTANCE PROGRAM FOR SERVICE*
12 *ON ACTIVE DUTY.—Section 2107(c) of title 10, United*
13 *States Code, is amended by adding at the end the following*
14 *new paragraphs:*

15 *“(3) In the case of a cadet or midshipman eligible to*
16 *receive financial assistance under paragraph (1) or (2), the*
17 *Secretary of the military department concerned may, in*
18 *lieu of all or part of the financial assistance described in*
19 *paragraph (1), provide financial assistance in the form of*
20 *room and board expenses for the cadet or midshipman and*
21 *other expenses required by the educational institution.*

22 *“(4) The total amount of financial assistance, includ-*
23 *ing the payment of room and board and other educational*
24 *expenses, provided to a cadet or midshipman in an aca-*
25 *demic year under this subsection may not exceed an amount*

1 *equal to the amount that could be provided as financial*
2 *assistance for such cadet or midshipman under paragraph*
3 *(1) or (2), or other amount determined by the Secretary*
4 *concerned, without regard to whether room and board and*
5 *other educational expenses for such cadet or midshipman*
6 *are paid under paragraph (3).”.*

7 “(b) *FINANCIAL ASSISTANCE PROGRAM FOR SERVICE*
8 *IN TROOP PROGRAM UNITS.*—*Section 2107a(c) of such title*
9 *is amended—*

10 (1) *by inserting “(1)” after “(c)”;* and

11 (2) *by adding at the end the following new para-*
12 *graphs:*

13 “(2) *In the case of a cadet eligible to receive financial*
14 *assistance under paragraph (1), the Secretary of the mili-*
15 *tary department concerned may, in lieu of all or part of*
16 *the financial assistance described in paragraph (1), provide*
17 *financial assistance in the form of room and board expenses*
18 *for such cadet and other expenses required by the edu-*
19 *cational institution.*

20 “(3) *The total amount of financial assistance, includ-*
21 *ing the payment of room and board and any other edu-*
22 *cational expenses, provided to a cadet in an academic year*
23 *under this subsection may not exceed an amount equal to*
24 *the amount that could be provided as financial assistance*
25 *for such cadet under paragraph (1), or other amount deter-*

1 *mined by the Secretary of the Army, without regard to*
2 *whether the room and board and other educational expenses*
3 *for such cadet are paid under paragraph (2).”.*

4 *(c) EFFECTIVE DATE.—The amendments made by this*
5 *section shall apply to payment of expenses of cadets and*
6 *midshipmen of the Senior Reserve Officers’ Training Corps*
7 *program that are due after the date of the enactment of*
8 *this Act.*

9 **SEC. 533. INCREASE IN ALLOCATION OF SCHOLARSHIPS**
10 **UNDER ARMY RESERVE ROTC SCHOLARSHIP**
11 **PROGRAM TO STUDENTS AT MILITARY JUN-**
12 **IOR COLLEGES.**

13 *Section 2107a(h) of title 10, United States Code,*
14 *is amended by striking “10” each place it appears*
15 *and inserting “17”.*

16 **SEC. 534. INCLUSION OF ACCRUED INTEREST IN AMOUNTS**
17 **THAT MAY BE REPAID UNDER SELECTED RE-**
18 **SERVE CRITICAL SPECIALTIES EDUCATION**
19 **LOAN REPAYMENT PROGRAM.**

20 *Section 16301 of title 10, United States Code, is*
21 *amended—*

22 *(1) in subsection (b), by inserting before the pe-*
23 *riod at the end the following: “, plus the amount of*
24 *any interest that may accrue during the current*
25 *year”; and*

1 (2) *in subsection (c), by adding at the end the*
 2 *following new sentence: “For the purposes of this sec-*
 3 *tion, any interest that has accrued on the loan for pe-*
 4 *riods before the current year shall be considered as*
 5 *within the total loan amount that shall be repaid.”.*

6 **SEC. 535. AUTHORITY FOR NONSCHOLARSHIP SENIOR ROTC**
 7 **SOPHOMORES TO VOLUNTARILY CONTRACT**
 8 **FOR AND RECEIVE SUBSISTENCE ALLOW-**
 9 **ANCE.**

10 (a) *AUTHORITY FOR ALLOWANCE.—Section 209 of title*
 11 *37, United States Code, is amended—*

12 (1) *by redesignating subsections (c) and (d) as*
 13 *subsections (d) and (e), respectively; and*

14 (2) *by inserting after subsection (b) the following*
 15 *new subsection (c):*

16 “(c) *NONSCHOLARSHIP SENIOR ROTC MEMBERS NOT*
 17 *IN ADVANCED TRAINING.—A member of the Selected Reserve*
 18 *Officers’ Training Corps who has entered into an agreement*
 19 *under section 2103a of title 10 is entitled to a monthly sub-*
 20 *sistence allowance at a rate prescribed under subsection (a).*
 21 *The allowance may be paid to the member for a maximum*
 22 *of 20 months.”.*

23 (b) *AUTHORITY TO ACCEPT ENROLLMENT.—(1) Chap-*
 24 *ter 103 of title 10, United States Code, is amended by in-*
 25 *serting after section 2103 the following new section:*

1 **“§ 2103a. Students not eligible for advanced training:**
2 **commitment to military service**

3 “(a) A member of the program who has completed suc-
4 cessfully the first year of a four-year Senior Reserve Offi-
5 cers’ Training Corps course and who is not eligible for ad-
6 vanced training under section 2104 of this title and is not
7 a cadet or midshipman appointed under section 2107 of
8 this title may—

9 “(1) contract with the Secretary of the military
10 department concerned, or the Secretary’s designated
11 representative, to serve for the period required by the
12 program; and

13 “(2) agree in writing to accept an appointment,
14 if offered, as a commissioned officer in the Army,
15 Navy, Air Force, or Marine Corps, as the case may
16 be, and to serve in the armed forces for the period
17 prescribed by the Secretary.

18 “(b) A member of the program may enter into a con-
19 tract and agreement under this section (and receive a sub-
20 sistence allowance under section 209(c) of title 37) only if
21 the person—

22 “(1) is a citizen of the United States;

23 “(2) enlists in an armed force under the jurisdic-
24 tion of the Secretary of the military department con-
25 cerned for the period prescribed by the Secretary; and

1 “(3) executes a certificate of loyalty in such form
2 as the Secretary of Defense prescribes or take a loy-
3 alty oath as prescribed by the Secretary.

4 “(c) A member of the program who is a minor may
5 enter into a contract under subsection (a)(1) only with the
6 consent of the member’s parent or guardian.”.

7 (2) The table of sections at the beginning of such chap-
8 ter is amended by adding at the end the following new item:

 “2103a. Students not eligible for advanced training: commitment to military serv-
 ice.”.

9 **SEC. 536. APPOINTMENTS TO MILITARY SERVICE ACAD-**
10 **EMIES FROM NOMINATIONS MADE BY DELE-**
11 **GATES FROM GUAM, VIRGIN ISLANDS, AND**
12 **AMERICAN SAMOA.**

13 (a) UNITED STATES MILITARY ACADEMY.—Section
14 4342(a) of title 10, United States Code, is amended—

15 (1) in paragraphs (6) and (8), by striking
16 “Two” and inserting “Three”; and

17 (2) in paragraph (9), by striking “One” and in-
18 serting “Two”.

19 (b) UNITED STATES NAVAL ACADEMY.—Section
20 6954(a) of such title is amended—

21 (1) in paragraphs (6) and (8), by striking
22 “Two” and inserting “Three”; and

23 (2) in paragraph (9), by striking “One” and in-
24 serting “Two”.

1 (c) *UNITED STATES AIR FORCE ACADEMY.*—Section
2 9342(a) of such title is amended—

3 (1) in paragraphs (6) and (8), by striking
4 “Two” and inserting “Three”; and

5 (2) in paragraph (9), by striking “One” and in-
6 serting “Two”.

7 (d) *EFFECTIVE DATE.*—The amendments made by this
8 section shall apply with respect to the nomination of can-
9 didates for appointment to the United States Military
10 Academy, the United States Naval Academy, and the
11 United States Air Force Academy for classes entering those
12 academies after the date of the enactment of this Act.

13 **SEC. 537. READMISSION TO SERVICE ACADEMIES OF CER-**
14 **TAIN FORMER CADETS AND MIDSHIPMEN.**

15 (a) *INSPECTOR GENERAL REPORT AS BASIS FOR RE-*
16 *ADMISSION.*—(1) When a formal report by an Inspector
17 General within the Department of Defense concerning the
18 circumstances of the separation of a cadet or midshipman
19 from one of the service academies contains a specific finding
20 specified in paragraph (2), the Secretary of the military
21 department concerned may use that report as the sole basis
22 for readmission of the former cadet or midshipman to the
23 respective service or service academy.

1 (2) *A finding specified in this paragraph is a finding*
2 *that substantiates that a former service academy cadet or*
3 *midshipman, while attending the service academy—*

4 (A) *received administrative or punitive action or*
5 *nonjudicial punishment as a result of reprisal;*

6 (B) *resigned in lieu of disciplinary, administra-*
7 *tive, or other action that the formal report concludes*
8 *constituted a threat of reprisal; or*

9 (C) *otherwise suffered an injustice that contrib-*
10 *uted to the resignation of the cadet or midshipman.*

11 (b) *READMISSION.—In the case of a formal report by*
12 *an Inspector General described in subsection (a), the Sec-*
13 *retary concerned shall offer the former cadet or midshipman*
14 *an opportunity for readmission to the service academy from*
15 *which the former cadet or midshipman resigned, if the*
16 *former cadet or midshipman is otherwise eligible for such*
17 *readmission.*

18 (c) *APPLICATIONS FOR READMISSION.—A former cadet*
19 *or midshipman described in a report referred to in sub-*
20 *section (a) may apply for readmission to the service acad-*
21 *emy on the basis of that report and shall not be required*
22 *to submit the request for readmission through a board for*
23 *the correction of military records.*

24 (d) *REGULATIONS TO MINIMIZE ADVERSE IMPACT*
25 *UPON READMISSION.—The Secretary of each military de-*

1 *partment shall prescribe regulations for the readmission of*
2 *a former cadet or midshipman described in subsections (a),*
3 *with the goal, to the maximum extent practicable, of re-*
4 *admitting the former cadet or midshipman at no loss of*
5 *the academic or military status held by the former cadet*
6 *at the time of resignation.*

7 (e) *CONSTRUCTION WITH OTHER REMEDIES.—This*
8 *section does not preempt or supercede any other remedy that*
9 *may be available to a former cadet or midshipman.*

10 (f) *SERVICE ACADEMIES.—In this section, the term*
11 *“service academy” means the following:*

12 (1) *The United States Military Academy.*

13 (2) *The United States Naval Academy.*

14 (3) *The United States Air Force Academy.*

15 **SEC. 538. AUTHORIZATION FOR NAVAL POSTGRADUATE**
16 **SCHOOL TO PROVIDE INSTRUCTION TO EN-**
17 **LISTED MEMBERS PARTICIPATING IN CER-**
18 **TAIN PROGRAMS.**

19 (a) *INSTRUCTION OF ENLISTED MEMBERS.—Sub-*
20 *section (a) of section 7045 of title 10, United States Code,*
21 *is amended by striking paragraph (2) and inserting the fol-*
22 *lowing:*

23 “(2) *The Secretary may permit enlisted members of*
24 *the armed forces to receive instruction at the Naval Post-*
25 *graduate School for the purpose of attending—*

1 “(A) executive level seminars; or

2 “(B) the information security scholarship pro-
3 gram under chapter 112 of this title.

4 “(3) In addition to instruction authorized under para-
5 graph (2), the Secretary may, on a space-available basis,
6 permit an enlisted member of any of the armed forces to
7 receive instruction at the Naval Postgraduate School if the
8 member is assigned permanently to the staff of the Naval
9 Postgraduate School or to a nearby command.”.

10 (b) REIMBURSEMENT.—Subsection (b) of such section
11 is amended—

12 (1) by striking “The Department” and inserting
13 “(1) Except as provided under paragraph (3), the De-
14 partment ”;

15 (2) by striking “officers” in the first sentence
16 and inserting “members”;

17 (3) by designating the second sentence as para-
18 graph (2) and in that sentence—

19 (A) by inserting “under subsection (a)(3)”
20 after “permitted”;

21 (B) by inserting “on a space-available
22 basis” after “instruction at the Postgraduate
23 School”; and

1 (C) by striking “(taking into consideration
2 the admission of enlisted members on a space-
3 available basis)”; and

4 (4) by adding at the end the following new para-
5 graph:

6 “(3) The Secretary of Defense may prescribe exceptions
7 to the requirements of paragraph (1) with regard to attend-
8 ance at the Postgraduate School pursuant to chapter 112
9 of this title.”.

10 **SEC. 539. DEFENSE TASK FORCE ON SEXUAL HARASSMENT**
11 **AND VIOLENCE AT THE MILITARY SERVICE**
12 **ACADEMIES.**

13 (a) *ESTABLISHMENT.*—The Secretary of Defense shall
14 establish a Department of Defense task force to examine
15 matters relating to sexual harassment and violence at the
16 United States Military Academy and the United States
17 Naval Academy.

18 (b) *RECOMMENDATIONS.*—Not later than 12 months
19 after the date on which all members of the task force have
20 been appointed, the task force shall submit to the Secretary
21 of Defense a report recommending ways by which the De-
22 partment of Defense and the military services may more
23 effectively address matters relating to sexual harassment
24 and violence at the United States Military Academy and
25 the United States Naval Academy. The report shall include

1 *an assessment of, and recommendations (including changes*
2 *in law) for measures to improve, the following with respect*
3 *to sexual harassment and violence at those academies:*

4 (1) *Victims' safety programs.*

5 (2) *Offender accountability.*

6 (3) *Effective prevention of sexual harassment*
7 *and violence.*

8 (4) *Collaboration among military organizations*
9 *with responsibility or jurisdiction with respect to sex-*
10 *ual harassment and violence.*

11 (5) *Coordination between military and civilian*
12 *communities, including local support organizations,*
13 *with respect to sexual harassment and violence.*

14 (6) *Coordination between military and civilian*
15 *communities, including civilian law enforcement re-*
16 *lating to acts of sexual harassment and violence.*

17 (7) *Data collection and case management and*
18 *tracking.*

19 (8) *Curricula and training, including standard*
20 *training programs for cadets at the United States*
21 *Military Academy and midshipmen at the United*
22 *States Naval Academy and for permanent personnel*
23 *assigned to those academies.*

24 (9) *Responses to sexual harassment and violence*
25 *at those academies, including standard guidelines.*

1 (10) *Other issues identified by the task force re-*
2 *lating to sexual harassment and violence at those*
3 *academies.*

4 (c) *METHODOLOGY.*—*The task force shall consider the*
5 *findings and recommendations of previous reviews and in-*
6 *vestigations of sexual harassment and violence conducted for*
7 *those academies as one of the bases for its assessment.*

8 (d) *REPORT.*—(1) *The task force shall submit to the*
9 *Secretary of Defense and the Secretaries of the Army and*
10 *the Navy a report on the activities of the task force and*
11 *on the activities of the United States Military Academy and*
12 *the United States Naval Academy to respond to sexual har-*
13 *assment and violence at those academies.*

14 (2) *The report shall include the following:*

15 (A) *Any barriers to implementation of improve-*
16 *ments as a result of those efforts.*

17 (B) *Other areas of concern not previously ad-*
18 *dressed in prior reports.*

19 (C) *The findings and conclusions of the task*
20 *force.*

21 (D) *Any recommendations for changes to policy*
22 *and law as the task force considers appropriate, in-*
23 *cluding whether cases of sexual assault at those acad-*
24 *emies should be included in the Department of De-*

1 *fense database known as the Defense Incident-Based*
2 *Reporting System.*

3 *(3) Within 90 days of receipt of the report under para-*
4 *graph (1) the Secretary of Defense shall submit the report,*
5 *together with the Secretary's evaluation of the report, to the*
6 *Committees on Armed Services of the Senate and House of*
7 *Representatives.*

8 *(e) REPORT ON AIR FORCE ACADEMY.—Simulta-*
9 *neously with the submission of the report under subsection*
10 *(d)(3), the Secretary of Defense, in coordination with the*
11 *Secretary of the Air Force, shall submit to the committees*
12 *specified in that subsection the Secretary's assessment of the*
13 *effectiveness of corrective actions being taken at the United*
14 *States Air Force Academy as a result of various investiga-*
15 *tions conducted at that Academy into matters involving sex-*
16 *ual assault and harassment.*

17 *(f) COMPOSITION.—(1) The task force shall consist of*
18 *not more than 14 members, to be appointed by the Secretary*
19 *of Defense. Members shall be appointed from each of the*
20 *Army, Navy, Air Force, and Marine Corps, and shall in-*
21 *clude an equal number of personnel of the Department of*
22 *Defense (military and civilian) and persons from outside*
23 *the Department of Defense. Members appointed from outside*
24 *the Department of Defense may be appointed from other*

1 *Federal departments and agencies, from State and local*
2 *agencies, or from the private sector.*

3 (2) *The Secretary shall ensure that the membership of*
4 *the task force appointed from the Department of Defense*
5 *includes at least one judge advocate.*

6 (3) *In appointing members to the task force, the Sec-*
7 *retary may—*

8 (A) *consult with the Attorney General regarding*
9 *a representative from the Office of Violence Against*
10 *Women of the Department of Justice; and*

11 (B) *consult with the Secretary of Health and*
12 *Human Services regarding a representative from the*
13 *Women’s Health office of the Department of Health*
14 *and Human Services.*

15 (4) *Each member of the task force appointed from out-*
16 *side the Department of Defense shall be an individual who*
17 *has demonstrated expertise in the area of sexual harassment*
18 *and violence or shall be appointed from one of the following:*

19 (A) *A representative from the Office of Civil*
20 *Right in the Department of Education.*

21 (B) *A representative from the Center for Disease*
22 *Control.*

23 (C) *A sexual assault policy and advocacy orga-*
24 *nization.*

25 (D) *A civilian law enforcement agency.*

1 (E) *A judicial policy organization.*

2 (F) *A national crime victim policy organization.*

3 (5) *The members of the task force shall be appointed*
4 *not later than 120 days after the date of the enactment of*
5 *this Act.*

6 (g) *CO-CHAIRS OF THE TASK FORCE.—There shall be*
7 *two co-chairs of the task force. One of the co-chairs shall*
8 *be designated by the Secretary of the Defense at the time*
9 *of appointment from among the Department of Defense per-*
10 *sonnel on the task force. The other co-chair shall be selected*
11 *from among the members appointed from outside the De-*
12 *partment of Defense by those members.*

13 (h) *ADMINISTRATIVE SUPPORT.—(1) Each member of*
14 *the task force who is a member of the Armed Forces or a*
15 *civilian officer or employee of the United States shall serve*
16 *without compensation (other than compensation to which*
17 *entitled as a member of the Armed Forces or an officer or*
18 *employee of the United States, as the case may be). Other*
19 *members of the task force shall be appointed in accordance*
20 *with, and subject to, section 3161 of title 5, United States*
21 *Code.*

22 (2) *The Deputy Under Secretary of Defense for Per-*
23 *sonnel and Readiness, under the direction of the Under Sec-*
24 *retary of Defense for Personnel and Readiness, shall provide*
25 *oversight of the task force. The Washington Headquarters*

1 *ployed, or continued in a deployment, on any day on which*
2 *the total number of days on which the member has been*
3 *deployed out of the preceding 730 days would exceed the*
4 *high-deployment threshold.*

5 “(2) *In this subsection, the term ‘high-deployment*
6 *threshold’ means—*

7 “(A) *400 days; or*

8 “(B) *a lower number of days prescribed by the*
9 *Secretary of Defense.*

10 “(3) *A member may be deployed, or continued in a*
11 *deployment, without regard to paragraph (1) if the deploy-*
12 *ment, or continued deployment, is approved by the Sec-*
13 *retary of Defense. The authority of the Secretary under the*
14 *preceding sentence may only be delegated to—*

15 “(A) *a civilian officer of the Department of De-*
16 *fense appointed by the President, by and with the ad-*
17 *vice and consent of the Senate, or a member of the*
18 *Senior Executive Service; or*

19 “(B) *a general or flag officer in that member’s*
20 *chain of command (including an officer in the grade*
21 *of colonel, or in the case of the Navy, captain, serving*
22 *an in a general or flag officer position who has been*
23 *selected for promotion to the grade of brigadier gen-*
24 *eral or rear admiral (lower half)).”.*

1 **(b) CHANGES FROM PER DIEM TO HIGH-DEPLOYMENT**
2 *ALLOWANCE.—(1) Subsection (a) of section 436 of title 37,*
3 *United States Code, is amended to read as follows:*

4 “(a) *MONTHLY ALLOWANCE.—The Secretary of the*
5 *military department concerned shall pay a high-deploy-*
6 *ment allowance to a member of the armed forces under the*
7 *Secretary’s jurisdiction for each month during which the*
8 *member—*

9 “(1) *is deployed; and*

10 “(2) *at any time during that month—*

11 “(A) *has been deployed for 191 or more con-*
12 *secutive days (or a lower number of consecutive*
13 *days prescribed by the Secretary of Defense);*

14 “(B) *has been deployed, out of the preceding*
15 *730 days, for a total of 401 or more days (or a*
16 *lower number of days prescribed by the Secretary*
17 *of Defense); or*

18 “(C) *in the case of a member of a reserve*
19 *component, is on active duty under a call or*
20 *order to active duty for a period of more than*
21 *30 days that is the second (or later) such call or*
22 *order to active duty (whether voluntary or invol-*
23 *untary) for that member in support of the same*
24 *contingency operation.”.*

1 (2) *Subsection (c) of such section is amended to read*
2 *as follows:*

3 “(c) *RATE.*—*The monthly rate of the allowance pay-*
4 *able to a member under this section shall be determined by*
5 *the Secretary concerned, not to exceed \$1,000 per month.”.*

6 (3) *Such section is further amended—*

7 (A) *in subsection (d), by striking “per diem”;*

8 (B) *in subsection (e), by striking “per diem” and*
9 *inserting “allowance”;*

10 (C) *in subsection (f)—*

11 (i) *by striking “per diem” and inserting*
12 *“allowance”; and*

13 (ii) *by striking “day on” and inserting*
14 *“month during”; and*

15 (D) *by adding at the end the following new sub-*
16 *section:*

17 “(g) *AUTHORITY TO EXCLUDE CERTAIN DUTY ASSIGN-*
18 *MENTS.*—*The Secretary concerned may exclude members*
19 *-serving in specified duty assignments from eligibility for*
20 *the high-deployment allowance while serving in those as-*
21 *signments. Any such specification of duty assignments may*
22 *only be made with the approval of the Secretary of Defense.*
23 *Specification of a particular duty assignment for purposes*
24 *of this subsection may not be implemented so as to apply*

1 *to the member serving in that position at the time of such*
2 *specification.”.*

3 (4)(A) *The heading of such section is amended to read*
4 *as follows:*

5 **“§ 436. Monthly high-deployment allowance for**
6 **lengthy or numerous deployments”.**

7 (B) *The item relating to that section in the table of*
8 *sections at the beginning of chapter 7 of such title is amend-*
9 *ed to read as follows:*

“436. Monthly high-deployment allowance for lengthy or numerous deployments.”.

10 (c) *CHANGES TO REPORTING REQUIREMENT.—Section*
11 *487(b)(5) of title 10, United States Code, is amended to*
12 *read as follows:*

13 “(5) *For each of the armed forces, the description shall*
14 *indicate, for the period covered by the report—*

15 “(A) *the number of members who received the*
16 *high-deployment allowance under section 436 of title*
17 *37;*

18 “(B) *the number of members who received each*
19 *rate of allowance paid;*

20 “(C) *the number of members who received the al-*
21 *lowance for one month, for two months, for three*
22 *months, for four months, for five months, for six*
23 *months, and for more than six months; and*

24 “(D) *the total amount spent on the allowance.”.*

1 **SEC. 542. ENHANCED RETENTION OF ACCUMULATED LEAVE**
2 **FOR HIGH-DEPLOYMENT MEMBERS.**

3 (a) *ENHANCED AUTHORITY TO RETAIN ACCUMULATED*
4 *LEAVE.*—Paragraph (1) of section 701(f) of title 10, United
5 States Code, is amended to read as follows:

6 “(f)(1)(A) The Secretary concerned, under uniform
7 regulations to be prescribed by the Secretary of Defense,
8 may authorize a member described in subparagraph (B)
9 who, except for this paragraph, would lose any accumulated
10 leave in excess of 60 days at the end of the fiscal year, to
11 retain an accumulated total of 120 days leave.

12 “(B) This subsection applies to a member who serves
13 on active duty for a continuous period of at least 120
14 days—

15 “(i) in an area in which the member is entitled
16 to special pay under section 310(a) of title 37; or

17 “(ii) while assigned to a deployable ship or mo-
18 bile unit or to other duty comparable to that specified
19 in clause (i) that is designated for the purpose of this
20 subsection.

21 “(C) Except as provided in paragraph (2), Leave in
22 excess of 60 days accumulated under this paragraph is lost
23 unless it is used by the member before the end of the third
24 fiscal year after the fiscal year in which the continuous pe-
25 riod of service referred to in subparagraph (B) termi-
26 nated.”.

1 (b) *EFFECTIVE DATE.*—The amendment made by sub-
2 section (a) shall take effect on October 1, 2003, or the date
3 of the enactment of this Act, whichever is later.

4 **SEC. 543. STANDARDIZATION OF TIME-IN-SERVICE RE-**
5 **QUIREMENTS FOR VOLUNTARY RETIREMENT**
6 **OF MEMBERS OF THE NAVY AND MARINE**
7 **CORPS WITH ARMY AND AIR FORCE REQUIRE-**
8 **MENTS.**

9 (a) *OFFICERS IN REGULAR NAVY OR MARINE CORPS*
10 *WHO COMPLETED 40 YEARS OF ACTIVE SERVICE.*—Section
11 6321(a) of title 10, United States Code, is amended by strik-
12 ing “after completing 40 or more years” and inserting “and
13 has at least 40 years”.

14 (b) *OFFICERS IN REGULAR NAVY OR MARINE CORPS*
15 *WHO COMPLETED 30 YEARS OF ACTIVE SERVICE.*—Section
16 6322(a) of such title is amended by striking “after com-
17 pleting 30 or more years” and inserting “and has at least
18 30 years”.

19 (c) *OFFICERS IN NAVY OR MARINE CORPS WHO COM-*
20 *PLETED 20 YEARS OF ACTIVE SERVICE.*—Section
21 6323(a)(1) of such title is amended by striking “after com-
22 pleting more than 20 years” and inserting “and has at least
23 20 years”.

24 (d) *ENLISTED MEMBERS IN REGULAR NAVY OR MA-*
25 *RINE CORPS WHO COMPLETED 30 YEARS OF ACTIVE SERV-*

1 *ICE.—Section 6326(a) of such title is amended by striking*
2 *“after completing 30 or more years” and inserting “and*
3 *has at least 30 years”.*

4 *(e) TRANSFER OF ENLISTED MEMBERS TO THE FLEET*
5 *RESERVE AND FLEET MARINE CORPS RESERVE.—Section*
6 *6330(b) of such title is amended by striking “who has com-*
7 *pleted 20 or more years” both places it appears and insert-*
8 *ing “who has at least 20 years”.*

9 *(f) TRANSFER OF MEMBERS OF THE FLEET RESERVE*
10 *AND FLEET MARINE CORPS RESERVE TO THE RETIRED*
11 *LIST.—Section 6331(a) of such title is amended by striking*
12 *“completed 30 years” and inserting “has at least 30 years”.*

13 *(g) EFFECTIVE DATE.—The Secretary of the Navy*
14 *shall prescribe the date on which the amendments made by*
15 *this section shall take effect. The Secretary shall publish*
16 *such date, when prescribed, in the Federal Register.*

17 **SEC. 544. STANDARDIZATION OF STATUTORY AUTHORITIES**
18 **FOR EXEMPTIONS FROM REQUIREMENT FOR**
19 **ACCESS TO SECONDARY SCHOOLS BY MILI-**
20 **TARY RECRUITERS.**

21 *(a) CONSISTENCY WITH ELEMENTARY AND SEC-*
22 *ONDARY EDUCATION ACT OF 1965.—Paragraph (5) of sec-*
23 *tion 503(c) of title 10, United States Code, is amended by*
24 *striking “apply to—” and all that follows through “school*

1 *which” and inserting “apply to a private secondary school*
2 *that”.*

3 *(b) CORRECTION OF CROSS REFERENCE.—Paragraph*
4 *(6)(A)(i) of such section is amended by striking “14101”*
5 *and “8801” and inserting “9101” and “7801”, respectively.*

6 **SEC. 545. PROCEDURES FOR CONSIDERATION OF APPLICA-**
7 **TIONS FOR AWARD OF THE PURPLE HEART**
8 **MEDAL TO VETERANS HELD AS PRISONERS**
9 **OF WAR BEFORE APRIL 25, 1962.**

10 *Subsection (b) of section 521 of the National Defense*
11 *Authorization Act for Fiscal Year 1996 (Public Law 104–*
12 *106; 110 Stat. 309; 10 U.S.C. 1129 note) is amended to*
13 *read as follows:*

14 *“(b) STANDARDS AND PROCEDURES FOR AWARD.—In*
15 *determining whether a former prisoner of war is eligible*
16 *for the award of the Purple Heart under subsection (a), the*
17 *Secretary concerned shall apply the following procedures:*

18 *“(1) The standard to be used by the Secretary*
19 *concerned for awarding the Purple Heart under this*
20 *section shall be to award the Purple Heart in any*
21 *case in which a prisoner of war (A) was wounded*
22 *while in captivity, or (B) while in captivity was sub-*
23 *jected to systematic and prolonged deprivation of*
24 *food, medical treatment, and other forms of depriva-*

1 *tion or mistreatment likely to have prolonged*
2 *aftereffects on the individual concerned.*

3 “(2) *When a former prisoner of war applies for*
4 *the Purple Heart under subsection (a), the Secretary*
5 *concerned may request the former prisoner of war to*
6 *provide any documentation that the Secretary would*
7 *otherwise require, but failure of the former prisoner of*
8 *war to provide such documentation shall not by itself*
9 *be a disqualification for award of the Purple Heart.*

10 “(3) *The Secretary concerned shall inform the*
11 *former prisoner of war that historical information as*
12 *to the prison camp or other circumstances in which*
13 *the former prisoner of war was held captive and other*
14 *information as to the circumstances of the former*
15 *prisoner of war’s captivity may be considered by the*
16 *Secretary in evaluating the application for the award*
17 *of the Purple Heart and that the former prisoner of*
18 *war may submit such information.*

19 “(4) *The Secretary concerned shall provide as-*
20 *stance to the applicant for the Purple Heart in ob-*
21 *taining information referred to in paragraph (3).*

22 “(5) *The Secretary shall review a completed ap-*
23 *plication under this section based upon the totality of*
24 *the evidence presented and shall take into account the*
25 *length of time between the period during which the*

1 *applicant was held as a prisoner of war and the date*
2 *of the application.*

3 *“(6) In considering an application under this*
4 *section, the Secretary shall take into account the*
5 *length of time that the applicant was held in cap-*
6 *tivity, which while not in itself establishing entitle-*
7 *ment of the applicant to award of the Purple Heart,*
8 *can and should be a factor in determining whether a*
9 *former prisoner of war was likely to have been*
10 *wounded, starved, or denied medical treatment to the*
11 *extent likely to have prolonged aftereffects on the indi-*
12 *vidual concerned.”.*

13 ***SEC. 546. AUTHORITY FOR RESERVE AND RETIRED REG-***
14 ***ULAR OFFICERS TO HOLD STATE AND LOCAL***
15 ***ELECTIVE OFFICE NOTWITHSTANDING CALL***
16 ***TO ACTIVE DUTY.***

17 *Section 973(b)(3) of title 10, United States Code, is*
18 *amended—*

19 *(1) by inserting “(A)” after “(3)”;* and

20 *(2) by adding at the end the following:*

21 *“(B) The prohibition in subparagraph (A) does not*
22 *apply to the functions of a civil office held by election, in*
23 *the case of an officer to whom this subsection applies by*
24 *reason of subparagraph (B) or (C) of paragraph (1).”.*

1 **SEC. 547. CLARIFICATION OF OFFENSE UNDER THE UNI-**
2 **FORM CODE OF MILITARY JUSTICE RELATING**
3 **TO DRUNKEN OR RECKLESS OPERATION OF A**
4 **VEHICLE, AIRCRAFT, OR VESSEL.**

5 *Section 551 of title 10, United States Code (article 111*
6 *of the Uniform Code of Military Justice), is amended—*

7 *(1) in subsection (a)(2) by striking “in excess of”*
8 *and inserting “at, or in excess of;”;* and

9 *(2) in subsection (b)(4), by striking “maximum*
10 *permissible” and all that follows through the period*
11 *at the end and inserting “amount of alcohol con-*
12 *centration in a person’s blood or breath at which op-*
13 *eration or control of a vehicle, aircraft, or vessel is*
14 *prohibited.”.*

15 **SEC. 548. PUBLIC IDENTIFICATION OF CASUALTIES NO**
16 **SOONER THAN 24 HOURS AFTER NOTIFICA-**
17 **TION OF NEXT-OF-KIN.**

18 *The Secretary of Defense may not publicly release the*
19 *name or other personally identifying information of any*
20 *member of the Army, Navy, Air Force, or Marine Corps*
21 *who while on active duty or performing inactive duty train-*
22 *ing is killed or injured, whose duty status becomes un-*
23 *known, or who is otherwise considered to be a casualty until*
24 *a period of 24 hours has elapsed after the notification of*
25 *the next-of-kin of such member.*

Subtitle F—Benefits

1
2 **SEC. 551. ADDITIONAL CLASSES OF INDIVIDUALS ELIGIBLE**
3 **TO PARTICIPATE IN THE FEDERAL LONG-**
4 **TERM CARE INSURANCE PROGRAM.**

5 (a) *CERTAIN EMPLOYEES OF THE DISTRICT OF CO-*
6 *LUMBIA GOVERNMENT.*—Section 9001(1) of title 5, United
7 States Code, is amended by striking “2105(c),” and all that
8 follows and inserting “2105(c).”.

9 (b) *FORMER FEDERAL EMPLOYEES WHO WOULD BE*
10 *ELIGIBLE TO BEGIN RECEIVING AN ANNUITY UPON AT-*
11 *TAINING THE REQUISITE MINIMUM AGE.*—Section 9001(2)
12 of title 5, United States Code, is amended—

13 (1) in subparagraph (A), by striking “and” at
14 the end;

15 (2) in subparagraph (B), by striking the period
16 and inserting “; and”; and

17 (3) by adding at the end the following:

18 “(C) any former employee who, on the basis
19 of his or her service, would meet all requirements
20 for being considered an ‘annuitant’ within the
21 meaning of subchapter III of chapter 83, chapter
22 84, or any other retirement system for employees
23 of the Government, but for the fact that such
24 former employee has not attained the minimum
25 age for title to annuity.”.

1 (c) *RESERVISTS TRANSFERRED TO THE RETIRED RE-*
2 *SERVE WHO ARE UNDER AGE 60.*—Section 9001(4) of title
3 5, United States Code, is amended by striking “including”
4 and all that follows through “who has” and inserting “and
5 a member who has been transferred to the Retired Reserve
6 and who would be entitled to retired pay under chapter
7 1223 of title 10 but for not having”.

8 **SEC. 552. AUTHORITY TO TRANSPORT REMAINS OF RETIR-**
9 **EES AND RETIREE DEPENDENTS WHO DIE IN**
10 **MILITARY TREATMENT FACILITIES OUTSIDE**
11 **THE UNITED STATES.**

12 (a) *AUTHORIZED TRANSPORTATION.*—Section 1490 of
13 title 10, United States Code, is amended—

14 (1) in subsection (a), by striking “located in the
15 United States”; and

16 (2) in subsection (b)(1), by striking “outside the
17 United States or to a place”.

18 (b) *CONFORMING AMENDMENT.*—Subsection (c) of such
19 section is amended to read as follows:

20 “(c) *DEFINITION OF DEPENDENT.*—In this section, the
21 term ‘dependent’ has the meaning given such term in sec-
22 tion 1072(2) of this title.”.

23 (c) *EFFECTIVE DATE.*—The amendments made by this
24 section shall apply only with respect to persons dying on
25 or after the date of the enactment of this Act.

1 **SEC. 553. ELIGIBILITY FOR DEPENDENTS OF CERTAIN MO-**
2 **BILIZED RESERVISTS STATIONED OVERSEAS**
3 **TO ATTEND DEFENSE DEPENDENTS SCHOOLS**
4 **OVERSEAS.**

5 (a) *TUITION-FREE STATUS PARITY WITH DEPEND-*
6 *ENTS OF OTHER RESERVISTS.*—Section 1404(c) of the *De-*
7 *fense Dependents' Education Act of 1978 (20 U.S.C. 923(c))*
8 *is amended—*

9 (1) *by inserting “(1)” after “(c)”;* and

10 (2) *by adding at the end the following new para-*
11 *graph:*

12 “(2)(A) *The Secretary shall include in the regulations*
13 *prescribed under this subsection a requirement that children*
14 *in the class of children described in subparagraph (B) shall*
15 *be subject to the same tuition requirements, or waiver of*
16 *tuition requirements, as children in the class of children*
17 *described in subparagraph (C).*

18 “(B) *The class of children described in this subpara-*
19 *graph are children of members of reserve components of the*
20 *Armed Forces who—*

21 “(i) *are on active duty under an order to active*
22 *duty under section 12301 or 12302 of title 10, United*
23 *States Code;*

24 “(ii) *were ordered to active duty from a location*
25 *in the United States (other than in Alaska or Ha-*
26 *waii); and*

1 “(iii) are serving on active duty outside the
2 United States or in Alaska or Hawaii in a tour of
3 duty that (voluntarily or involuntarily) has been ex-
4 tended to a period in excess of one year.

5 “(C) The class of children described in this subpara-
6 graph are children of members of reserve components of the
7 Armed Forces who—

8 “(i) are on active duty under an order to active
9 duty under section 12301 or 12302 of title 10, United
10 States Code;

11 “(ii) were ordered to active duty from a location
12 outside the United States (or in Alaska or Hawaii);
13 and

14 “(iii) are serving on active duty outside the
15 United States or in Alaska or Hawaii.”.

16 (b) *CLERICAL AMENDMENT.*—The heading of such sec-
17 tion is amended to read as follows:

18 “SPACE-AVAILABLE ENROLLMENT OF STUDENTS; TUITION”.

19 (c) *IMPLEMENTATION OF REQUIRED NEW REGULA-*
20 *TIONS.*—Regulations required by paragraph (2) of section
21 1404(c) of the Defense Dependents’ Education Act of 1978
22 (20 U.S.C. 923(c)), as added by subsection (a), shall be pre-
23 scribed as soon as practicable after the date of the enactment
24 of this Act in order to provide the earliest opportunity for
25 dependents covered by that paragraph to enroll in Depart-
26 ment of Defense dependents’ schools, and in no event later

1 *than the beginning of the first school term beginning after*
2 *the date of the enactment of this Act.*

3 ***Subtitle G—Other Matters***

4 ***SEC. 561. EXTENSION OF REQUIREMENT FOR EXEMPLARY***
5 ***CONDUCT BY COMMANDING OFFICERS AND***
6 ***OTHERS IN AUTHORITY TO INCLUDE CIVIL-***
7 ***FIANS IN AUTHORITY IN THE DEPARTMENT OF***
8 ***DEFENSE.***

9 *(a) IN GENERAL.—(1) Chapter 50 of title 10, United*
10 *States Code, is amended by adding at the end the following*
11 *new section:*

12 ***“§ 992. Requirement of exemplary conduct: com-***
13 ***manding officers and others in authority***

14 *“All commanding officers and others in authority in*
15 *the Department of Defense are required—*

16 *“(1) to show in themselves a good example of vir-*
17 *tue, honor, patriotism, and subordination;*

18 *“(2) to be vigilant in inspecting the conduct of*
19 *all persons who are placed under their command or*
20 *charge;*

21 *“(3) to guard against and to suppress all disso-*
22 *lute and immoral practices and to correct, according*
23 *to applicable laws and regulations, all persons who*
24 *are guilty of them; and*

1 “(4) to take all necessary and proper measures,
2 under the laws, regulations, and customs applicable to
3 the armed forces, to promote and safeguard the mo-
4 rale, the physical well-being, and the general welfare
5 of all under their command or charge.”.

6 (2) The table of sections at the beginning of such chap-
7 ter is amended by adding at the end the following new item:

 “992. Requirement of exemplary conduct: commanding officers and others in au-
 thority.”.

8 (b) *CONFORMING REPEALS.*—Title 10, United States
9 Code, is further amended as follows:

10 (1) Section 3583, 5947, and 8583 are repealed.

11 (2)(A) The table of sections at the beginning of
12 chapter 345 is amended by striking the item relating
13 to section 3583.

14 (B) The table of sections at the beginning of
15 chapter 551 is amended by striking the item relating
16 to section 5947.

17 (C) The table of sections at the beginning of
18 chapter 845 is amended by striking the item relating
19 to section 8583.

20 **SEC. 562. RECOGNITION OF MILITARY FAMILIES.**

21 (a) *FINDINGS.*—Congress makes the following findings:

22 (1) The families of both active and reserve com-
23 ponent military personnel, through their sacrifices
24 and their dedication to the Nation and its values,

1 *contribute immeasurably to the readiness of the Na-*
2 *tion's Armed Forces.*

3 (2) *Without the continued support of military*
4 *families, the Nation's ability to sustain a high quality*
5 *all-volunteer military force would be undermined.*

6 (3) *In these perilous and challenging times, with*
7 *hundreds of thousands of active and reserve military*
8 *personnel deployed overseas in places of combat and*
9 *imminent danger, military families are making ex-*
10 *traordinary sacrifices and will be required to do so*
11 *for the foreseeable future.*

12 (4) *Beginning in 1997, military family service*
13 *and support centers have received materials from pri-*
14 *vate, non-profit organizational sources which are de-*
15 *signed to encourage and assist those centers in con-*
16 *ducting activities to celebrate the American military*
17 *family during the Thanksgiving period each Novem-*
18 *ber.*

19 (b) *MILITARY FAMILY RECOGNITION.*—*In view of the*
20 *findings in subsection (a), Congress determines that it is*
21 *appropriate that special measures be taken annually to rec-*
22 *ognize and honor the American military family.*

23 (c) *DEPARTMENT OF DEFENSE PROGRAMS AND AC-*
24 *TIVITIES.*—*The Secretary of Defense shall—*

1 (1) *implement and sustain programs, including*
2 *appropriate ceremonies and activities, to celebrate the*
3 *contributions and sacrifices of the American military*
4 *family, including both families of both active and re-*
5 *serve component military personnel;*

6 (2) *focus the celebration of the American mili-*
7 *tary family during a specific period of each year to*
8 *give full and proper highlight to those families; and*

9 (3) *seek the assistance and support of appro-*
10 *priate civilian organizations, associations, and other*
11 *entities in carrying out not only the annual celebra-*
12 *tion of the American military family, but also in sus-*
13 *taining longer-term efforts.*

14 **SEC. 563. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES**
15 **THAT BENEFIT DEPENDENTS OF MEMBERS**
16 **OF THE ARMED FORCES AND DEPARTMENT**
17 **OF DEFENSE CIVILIAN EMPLOYEES.**

18 (a) *CONTINUATION OF DEPARTMENT OF DEFENSE*
19 *PROGRAM FOR FISCAL YEAR 2004.—Of the amount author-*
20 *ized to be appropriated pursuant to section 301(5) for oper-*
21 *ation and maintenance for Defense-wide activities,*
22 *\$35,000,000 shall be available only for the purpose of pro-*
23 *viding educational agencies assistance to local educational*
24 *agencies.*

1 (b) *NOTIFICATION.*—Not later than June 30, 2004, the
2 Secretary of Defense shall notify each local educational
3 agency that is eligible for educational agencies assistance
4 for fiscal year 2004 of—

5 (1) that agency’s eligibility for the assistance;
6 and

7 (2) the amount of the assistance for which that
8 agency is eligible.

9 (c) *DISBURSEMENT OF FUNDS.*—The Secretary of De-
10 fense shall disburse funds made available under subsection
11 (a) not later than 30 days after the date on which notifica-
12 tion to the eligible local educational agencies is provided
13 pursuant to subsection (b).

14 (d) *DEFINITIONS.*—In this section:

15 (1) The term “educational agencies assistance”
16 means assistance authorized under section 386(b) of
17 the National Defense Authorization Act for Fiscal
18 Year 1993 (Public Law 102–484; 20 U.S.C. 7703
19 note).

20 (2) The term “local educational agency” has the
21 meaning given that term in section 8013(9) of the El-
22 elementary and Secondary Education Act of 1965 (20
23 U.S.C. 7713(9)).

1 **SEC. 564. PERMANENT AUTHORITY FOR SUPPORT FOR CER-**
2 **TAIN CHAPLAIN-LED MILITARY FAMILY SUP-**
3 **PORT PROGRAMS.**

4 (a) *IN GENERAL.*—(1) Chapter 88 of title 10, United
5 States Code, is amended by inserting at the end of sub-
6 chapter I the following new section:

7 **“§ 1789. Chaplain-led programs: authorized support**

8 “(a) *AUTHORITY.*—The Secretary of a military de-
9 partment may provide support services described in sub-
10 section (b) to support chaplain-led programs to assist mem-
11 bers of the armed forces on active duty and their immediate
12 family members, and members of reserve components in an
13 active status and their immediate family members, in
14 building and maintaining a strong family structure.

15 “(b) *AUTHORIZED SUPPORT SERVICES.*—The support
16 services referred to in subsection (a) are costs of transpor-
17 tation, food, lodging, child care, supplies, fees, and training
18 materials for members of the armed forces and their family
19 members while participating in programs referred to in
20 that subsection, including participation at retreats and
21 conferences.

22 “(c) *IMMEDIATE FAMILY MEMBERS.*—In this section,
23 the term ‘immediate family members’, with respect to a
24 member of the armed forces, means—

25 “(1) the member’s spouse; and

1 “(2) any child (as defined in section 1072(6) of
2 this title) of the member who is described in subpara-
3 graph (D) of section 1072(2) of this title.”.

4 (2) The table of sections at the beginning of such chap-
5 ter is amended by inserting after the item relating to section
6 1788 the following new item:

 “1789. Chaplain-led programs: authorized support.”.

7 (b) *EFFECTIVE DATE.*—Section 1789 of title 10,
8 United States Code, as added by subsection (a), shall take
9 effect on October 1, 2003.

10 **SEC. 565. DEPARTMENT OF DEFENSE-DEPARTMENT OF VET-**
11 **ERANS AFFAIRS JOINT EXECUTIVE COM-**
12 **MITTEE.**

13 (a) *ESTABLISHMENT OF JOINT COMMITTEE.*—(1)
14 Chapter 3 of title 38, United States Code, is amended by
15 adding at the end the following new section:

16 **“§ 320. Department of Veterans Affairs-Department of**
17 **Defense Joint Executive Committee**

18 “(a) *JOINT EXECUTIVE COMMITTEE.*—(1) There is es-
19 tablished an interagency committee to be known as the De-
20 partment of Veterans Affairs-Department of Defense Joint
21 Executive Committee (hereinafter in this section referred to
22 as the ‘Committee’).

23 “(2) The Committee is composed of—

24 “(A) the Deputy Secretary of Veterans Affairs
25 and such other officers and employees of the Depart-

1 *ment of Veterans Affairs as the Secretary of Veterans*
2 *Affairs may designate; and*

3 *“(B) the Under Secretary of Defense for Per-*
4 *sonnel and Readiness and such other officers and em-*
5 *ployees of the Department of Defense as the Secretary*
6 *of Defense may designate.*

7 *“(b) ADMINISTRATIVE MATTERS.—(1) The Deputy*
8 *Secretary of Veterans Affairs and the Under Secretary of*
9 *Defense shall determine the size and structure of the Com-*
10 *mittee, as well as the administrative and procedural guide-*
11 *lines for the operation of the Committee.*

12 *“(2) The two Departments shall supply appropriate*
13 *staff and resources to provide administrative support and*
14 *services. Support for such purposes shall be provided at a*
15 *level sufficient for the efficient operation of the Committee,*
16 *including a subordinate Health Executive Committee, a*
17 *subordinate Benefits Executive Committee, and such other*
18 *committees or working groups as considered necessary by*
19 *the Deputy Secretary and Under Secretary.*

20 *“(c) RECOMMENDATIONS.—(1) The Committee shall*
21 *recommend to the Secretaries strategic direction for the*
22 *joint coordination and sharing efforts between and within*
23 *the two Departments under section 8111 of this title and*
24 *shall oversee implementation of those efforts.*

1 “(2) *The Committee shall submit to the two Secretaries*
2 *and to Congress an annual report containing such rec-*
3 *ommendations as the Committee considers appropriate.*

4 “(d) *FUNCTIONS.—In order to enable the Committee*
5 *to make recommendations in its annual report under sub-*
6 *section (c)(2), the Committee shall do the following:*

7 “(1) *Review existing policies, procedures, and*
8 *practices relating to the coordination and sharing of*
9 *resources between the two Departments.*

10 “(2) *Identify changes in policies, procedures, and*
11 *practices that, in the judgment of the Committee,*
12 *would promote mutually beneficial coordination, use,*
13 *or exchange of use of services and resources of the two*
14 *Departments, with the goal of improving the quality,*
15 *efficiency and effectiveness of the delivery of benefits*
16 *and services to veterans, service members, military re-*
17 *tirees and their families through an enhanced Depart-*
18 *ment of Veterans Affairs and Department of Defense*
19 *partnership.*

20 “(3) *Identify and assess further opportunities for*
21 *the coordination and collaboration between the De-*
22 *partments that, in the judgment of the Committee,*
23 *would not adversely affect the range of services, the*
24 *quality of care, or the established priorities for bene-*
25 *fits provided by either Department.*

1 “(4) Review the plans of both Departments for
2 the acquisition of additional resources, especially new
3 facilities and major equipment and technology, in
4 order to assess the potential effect of such plans on
5 further opportunities for the coordination and sharing
6 of resources.

7 “(5) Review the implementation of activities de-
8 signed to promote the coordination and sharing of re-
9 sources between the Departments.”.

10 (2) The table of sections at the beginning of such chap-
11 ter is amended by adding at the end the following new item:

 “320. Department of Veterans Affairs-Department of Defense Joint Executive
 Committee.”.

12 (b) CONFORMING AMENDMENTS.—(1) Subsection (c) of
13 section 8111 of such title is repealed.

14 (2) Such section is further amended—

15 (A) in subsection (b)(2), by striking “subsection
16 (c)” and inserting “section 320 of this title”;

17 (B) in subsection (d)(1), by striking “Committee
18 established in subsection (c)” and inserting “Depart-
19 ment of Veterans Affairs-Department of Defense Joint
20 Executive Committee”;

21 (C) in subsection (e)(1), by striking “Committee
22 under subsection (c)(2)” and inserting “Department
23 of Veterans Affairs-Department of Defense Joint Exec-

1 *utive Committee with respect to health care re-*
2 *sources”; and*

3 *(D) in subsection (f)(2), by striking subpara-*
4 *graphs (B) and (C) and inserting the following:*

5 *“(B) The assessment of further opportunities*
6 *identified by the Department of Veterans Affairs-De-*
7 *partment of Defense Joint Executive Committee under*
8 *subsection (d)(3) of section 320 of this title for the*
9 *sharing of health-care resources between the two De-*
10 *partments.*

11 *“(C) Any recommendation made by that com-*
12 *mittee under subsection (c)(2) of that section during*
13 *that fiscal year.”.*

14 *(c) TECHNICAL AMENDMENTS.—Subsection (f) of such*
15 *section is further amended by inserting “(Public Law 107–*
16 *314)” in paragraphs (3), (4)(A), (4)(B), and (5) after “for*
17 *Fiscal Year 2003”.*

18 *(d) EFFECTIVE DATE.—(1) If this Act is enacted before*
19 *October 1, 2003—*

20 *(A) section 320 of title 38, United States Code,*
21 *as added by subsection (a), shall take effect on October*
22 *1, 2003; and*

23 *(B) the amendments made by subsections (b) and*
24 *(c) shall take effect on October 1, 2003, immediately*
25 *after the amendment made by section 721(a)(1) of the*

1 *Bob Stump National Defense Authorization Act for*
2 *Fiscal Year 2003 (Public Law 107–314; 116 2589).*

3 (2) *If this Act is enacted on or after October 1, 2003,*
4 *the amendments made by this section shall take effect on*
5 *the date of the enactment of this Act.*

6 **SEC. 566. LIMITATION ON AVIATION FORCE STRUCTURE**
7 **CHANGES IN THE DEPARTMENT OF THE**
8 **NAVY.**

9 (a) *LIMITATION.*—*The Secretary of the Navy shall en-*
10 *sure that no reductions are made in the active and reserve*
11 *force structure of the Navy and Marine Corps for fixed- and*
12 *rotary-wing aircraft until 90 days have elapsed after the*
13 *date as of which both of the reports required by subsections*
14 *(b) and (c) have been received by the committees named in*
15 *those subsections.*

16 (b) *NAVAL AVIATION FORCE STRUCTURE PLAN.*—*The*
17 *Secretary of the Navy shall submit to the Committee on*
18 *Armed Services of the Senate and the Committee on Armed*
19 *Services of the House of Representatives a detailed report*
20 *on the changes to the active and reserve aviation force struc-*
21 *ture in the Department of the Navy that are proposed for*
22 *fiscal years 2004 through 2009. The report shall include the*
23 *following:*

24 (1) *The numbers of aircraft and helicopter force*
25 *structure planned for retirement.*

1 (2) *The amounts of planned budget authority to*
2 *be saved, shown by year and by appropriation, com-*
3 *pared to the May 1, 2003, force structure.*

4 (3) *An assessment by the Chief of Naval Oper-*
5 *ations comparing the future force structure plan with*
6 *capabilities of the Department of the Navy's aviation*
7 *force structure on May 1, 2003.*

8 (4) *A risk assessment of the planned force struc-*
9 *ture to carry out the National Security Strategy of*
10 *the United States, dated September 2002.*

11 (5) *A risk assessment of the planned force based*
12 *on the assumptions applied in the September 30,*
13 *2001, Quadrennial Defense Review Report.*

14 (c) *ACTIVE AND RESERVE COMPONENT INTEGRATION*
15 *PLAN.—The Secretary of the Navy shall submit to the Com-*
16 *mittee on Armed Services of the Senate and the Committee*
17 *on Armed Services of the House of Representatives a concept*
18 *of operations for increasing the integration and use of*
19 *Naval Reserve surface, aviation, and other units and per-*
20 *sonnel with active component forces in carrying out oper-*
21 *ational missions across the peacetime and wartime spec-*
22 *trum of naval operations during the period of 2004 through*
23 *2009.*

1 **SEC. 567. IMPACT AID ELIGIBILITY FOR HEAVILY IMPACTED**
2 **LOCAL EDUCATIONAL AGENCIES AFFECTED**
3 **BY PRIVITIZATION OF MILITARY HOUSING.**

4 *Section 8003(b)(2)(H) of the Elementary and Sec-*
5 *ondary Education Act of 1965 (20 U.S.C. 7703(b)(2)(H))*
6 *is amended by striking clauses (i) and (ii) and inserting*
7 *the following:*

8 *“(i) ELIGIBILITY.—For any fiscal year*
9 *beginning with fiscal 2003, a heavily im-*
10 *acted local educational agency that re-*
11 *ceived a basic support payment under para-*
12 *graph (b)(2) for the prior fiscal year, but is*
13 *ineligible for such payment for the current*
14 *fiscal year under subparagraph (B), (C),*
15 *(D), or (E), as the case may be, by reason*
16 *of the conversion of military housing units*
17 *to private housing described in clause (iii),*
18 *shall be deemed to meet the eligibility re-*
19 *quirements under subparagraph (B) or (C),*
20 *as the case may be for the period during*
21 *which the housing units are undergoing*
22 *such conversion.*

23 *“(ii) AMOUNT OF PAYMENT.—The*
24 *amount of a payment to a heavily impacted*
25 *local educational agency for a fiscal year by*
26 *reason of the application of clause (i), and*

1 *calculated in accordance with subparagraph*
2 *(D) or (E), as the case may be, shall be*
3 *based on the number of children in average*
4 *daily attendance in the schools of such*
5 *agency for the fiscal year and under the*
6 *same provisions of subparagraph (D) or (E)*
7 *under which the agency was paid during*
8 *the prior fiscal year.”.*

9 **SEC. 568. INVESTIGATION INTO THE 1991 DEATH OF MARINE**
10 **CORPS COLONEL JAMES E. SABOW.**

11 *(a) INVESTIGATION REQUIRED.—Not later than 60*
12 *days after the date of the enactment of this Act, the Sec-*
13 *retary of Defense shall commence a new investigation into*
14 *the death of Colonel James S. Sabow, United States Marine*
15 *Corps, who died on January 22, 1991, at the Marine Corps*
16 *Air Station, El Toro, California.*

17 *(b) FOCUS OF INVESTIGATION.—The principal focus of*
18 *the investigation under subsection (a) shall be to determine*
19 *the cause of Colonel Sabow’s death, given the medical and*
20 *forensic factors associated with that death.*

21 *(c) REVIEW BY OUTSIDE EXPERTS.—The Secretary of*
22 *Defense shall provide that the evidence concerning the cause*
23 *of Colonel Sabow’s death and the medical and forensic fac-*
24 *tors associated with his death shall be reviewed by medical*
25 *and forensic experts outside the Department of Defense.*

1 (d) *REPORT.*—Not later than six months after the date
2 of the enactment of this Act, the Secretary of Defense shall
3 submit to the Committee on Armed Services of the Senate
4 and the Committee on Armed Services of the House of Rep-
5 resentatives a written report on the findings of the inves-
6 tigation under subsection (a). The Secretary shall include
7 in the report (1) the Secretary’s conclusions as a result of
8 the investigation, including the Secretary’s conclusions re-
9 garding the cause of death of Colonel Sabow, and (2) the
10 conclusions of the experts reviewing the matter under sub-
11 section (c).

12 ***Subtitle H—Domestic Violence***

13 ***SEC. 571. TRAVEL AND TRANSPORTATION FOR DEPEND-*** 14 ***ENTS RELOCATING FOR REASONS OF PER-*** 15 ***SONAL SAFETY.***

16 Section 406(h) of title 37, United States Code, is
17 amended by adding at the end the following new paragraph:

18 “(4)(A) The Secretary concerned shall provide to the
19 dependents of a member the travel and transportation al-
20 lowances described in paragraphs (1) and (3) in a case in
21 which—

22 “(i) a commander has substantiated that the
23 member has committed dependent abuse, as defined in
24 section 1059(c) of title 10;

1 “(ii) a safety plan and counseling have been pro-
2 vided;

3 “(iii) there has been a determination that the
4 victim’s safety is at stake and that relocation is the
5 best course of action; and

6 “(iv) the abused dependent, or parent of the
7 abused dependent if the abused dependent is a child,
8 requests relocation,

9 “(B) In the case of allowances paid under subpara-
10 graph (A), any monetary allowances shall accrue to the de-
11 pendents in lieu of the member and may be paid to the
12 dependents.

13 “(C) Shipment of the dependent’s baggage and house-
14 hold effects, and of any motor vehicle, may not be provided
15 until there is a property division established by written
16 agreement with the member or by order of a court of com-
17 petent jurisdiction .”.

18 **SEC. 572. COMMENCEMENT AND DURATION OF PAYMENT**

19 **OF TRANSITIONAL COMPENSATION.**

20 (a) **COMMENCEMENT.**—Paragraph (1)(A) of section
21 1059(e) of title 10, United States Code, is amended by strik-
22 ing “shall commence” and all that follows and inserting
23 “shall commence—

24 “(i) as of the date the court martial sen-
25 tence is adjudged if the sentence, as adjudged, in-

1 *cludes a dismissal, dishonorable discharge, bad*
2 *conduct discharge, or forfeiture of all pay and*
3 *allowances; or*

4 “(ii) if there is a pretrial agreement that
5 *includes disapproval or suspension of the dis-*
6 *missal, dishonorable discharge, bad conduct dis-*
7 *charge, or forfeiture of all pay and allowances,*
8 *as of the date of the approval of the court-mar-*
9 *tial sentence by the person acting under section*
10 *860(c) of this title (article 60(c) of the Uniform*
11 *Code of Military Justice) if the sentence, as ap-*
12 *proved, includes an unsuspended dismissal, dis-*
13 *honorable discharge, bad conduct discharge, or*
14 *forfeiture of all pay and allowances;”.*

15 (b) *DURATION.*—*Paragraph (2) of such section is*
16 *amended by striking “, except that” and all that follows*
17 *through “12 months”.*

18 (c) *TERMINATION.*—*Paragraph (3)(A) of such section*
19 *is amended by striking “punishment applicable to the mem-*
20 *ber under the sentence is remitted, set aside, or mitigated”*
21 *and inserting “conviction is disapproved by the person act-*
22 *ing under section 860(c) of this title (article 60(c) of the*
23 *Uniform Code of Military Justice) or set aside, or each such*
24 *punishment applicable to the member under the sentence*

1 *is disapproved by the person acting under section 860(c)*
2 *of this title, remitted, set aside, suspended, or mitigated”.*

3 **SEC. 573. FLEXIBILITY IN ELIGIBILITY FOR TRANSITIONAL**
4 **COMPENSATION.**

5 (a) *AUTHORITY.*—Section 1059 of title 10, United
6 States Code, is amended by adding at the end the following
7 new subsection:

8 “(m) *ADDITIONAL ELIGIBILITY.*—The Secretary con-
9 cerned, under regulations prescribed under subsection (k),
10 may authorize eligibility for benefits under this section to
11 dependents of a member or former member of the armed
12 forces not covered by subsection (b) if the Secretary con-
13 cerned determines that there are extenuating circumstances
14 such that granting benefits under this section is consistent
15 with the intent of this section.”.

16 (b) *EFFECTIVE DATE.*—The authority under sub-
17 section (m) of section 1059 of title 10, United States Code,
18 as added by subsection (a), may only be exercised with re-
19 spect to eligibility for benefits under such section by reason
20 of conduct on or after the date of the enactment of this Act.

21 **SEC. 574. TYPES OF ADMINISTRATIVE SEPARATIONS TRIG-**
22 **GERING COVERAGE.**

23 Section 1059(b)(2) of title 10, United States Code, is
24 amended by inserting “, voluntarily or involuntarily,” after
25 “administratively separated”.

1 **SEC. 575. ON-GOING REVIEW GROUP.**

2 *Not later than two years after the date of the enact-*
3 *ment of this Act, the Secretary of Defense shall convene a*
4 *working group of not less than 12 members, composed in*
5 *the same manner as the Defense Task Force on Domestic*
6 *Violence established pursuant to section 591 of the National*
7 *Defense Authorization Act for Fiscal Year 2000 (Public*
8 *Law 106–65). The purpose of the working group shall be*
9 *to review and assess the progress of the Department of De-*
10 *fense in implementation of the recommendations of the De-*
11 *fense Task Force on Domestic Violence. In reviewing the*
12 *status of the Department’s efforts, the group should specifi-*
13 *cally focus on the Department’s efforts to ensure confiden-*
14 *tiality for victims and accountability and education of com-*
15 *manding officers and chaplains.*

16 **SEC. 576. RESOURCES FOR DEPARTMENT OF DEFENSE IM-**
17 **PLEMENTATION ORGANIZATION.**

18 *The Secretary of Defense shall ensure that necessary*
19 *resources, including personnel, facilities, and other admin-*
20 *istrative support, are provided to the organization within*
21 *the Office of the Secretary of Defense with direct responsi-*
22 *bility for oversight of implementation by the military de-*
23 *partments of recommendations of the Task Force in order*
24 *for that organization to carry out its duties and responsibil-*
25 *ities.*

1 **SEC. 577. FATALITY REVIEWS.**

2 (a) *REVIEW OF FATALITIES.*—*The Secretary of De-*
3 *fense shall conduct a multidisciplinary, impartial review*
4 *(referred to as a “fatality review”) in the case of each fatal-*
5 *ity known or suspected to have resulted from domestic vio-*
6 *lence or child abuse against—*

7 (1) *a member of the Armed Forces;*

8 (2) *a current or former dependent of a member*
9 *of the Armed Forces; or*

10 (3) *a current or former intimate partner who*
11 *has a child in common or has shared a common*
12 *domicile with a member of the Armed Forces.*

13 (b) *MATTERS TO BE INCLUDED.*—*The report of a fatal-*
14 *ity review under subsection (a) shall, at a minimum, in-*
15 *clude the following:*

16 (1) *An executive summary.*

17 (2) *Data setting forth victim demographics, inju-*
18 *ries, autopsy findings, homicide or suicide methods,*
19 *weapons, police information, assailant demographics,*
20 *and household and family information.*

21 (3) *Legal disposition.*

22 (4) *System intervention and failures within the*
23 *Department of Defense.*

24 (5) *A discussion of significant findings.*

25 (6) *Recommendations for systemic changes with-*
26 *in the Department of Defense.*

1 **SEC. 578. SENSE OF CONGRESS.**

2 *It is the sense of Congress that—*

3 *(1) the Secretary of Defense should adopt the*
4 *strategic plan proposed by the Defense Task Force on*
5 *Domestic Violence in its Third Year Report, as re-*
6 *quired by section 591(a) of the Department of Defense*
7 *Authorization Act for Fiscal Year 2000 (Public Law*
8 *106–65); and*

9 *(2) the Secretary of each military department*
10 *should establish and support a Victim Advocate Pro-*
11 *TOCOL and provide for nondisclosure to ensure con-*
12 *fidentiality for victims who come forward to receive*
13 *advocacy, support, information, and resources, as rec-*
14 *ommended by the Defense Task Force on Domestic Vi-*
15 *olence.*

16 **TITLE VI—COMPENSATION AND**
17 **OTHER PERSONNEL BENEFITS**
18 **Subtitle A—Pay and Allowances**

19 **SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2004.**

20 *(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The ad-*
21 *justment to become effective during fiscal year 2004 re-*
22 *quired by section 1009 of title 37, United States Code, in*
23 *the rates of monthly basic pay authorized members of the*
24 *uniformed services shall not be made.*

25 *(b) INCREASE IN BASIC PAY FOR MEMBERS OF ARMED*
26 *FORCES.—Effective on January 1, 2004, the rates of*

- 1 *monthly basic pay for members of the Armed Forces within*
- 2 *each pay grade are as follows:*

COMMISSIONED OFFICERS ¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9	0.00	0.00	0.00	0.00	0.00
O-8	7,751.10	8,004.90	8,173.20	8,220.60	8,430.30
O-7	6,440.70	6,739.80	6,878.40	6,988.50	7,187.40
O-6	4,773.60	5,244.30	5,588.40	5,588.40	5,609.70
O-5	3,979.50	4,482.90	4,793.40	4,851.60	5,044.80
O-4	3,433.50	3,974.70	4,239.90	4,299.00	4,545.30
O-3 ³	3,018.90	3,422.40	3,693.90	4,027.20	4,220.10
O-2 ³	2,595.60	2,956.50	3,405.00	3,519.90	3,592.50
O-1 ³	2,253.60	2,345.10	2,834.70	2,834.70	2,834.70
	Over 8	Over 10	Over 12	Over 14	Over 16
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9	0.00	0.00	0.00	0.00	0.00
O-8	8,781.90	8,863.50	9,197.10	9,292.80	9,579.90
O-7	7,384.20	7,611.90	7,839.00	8,066.70	8,781.90
O-6	5,850.00	5,882.10	5,882.10	6,216.30	6,807.30
O-5	5,161.20	5,415.90	5,602.80	5,844.00	6,213.60
O-4	4,809.30	5,137.80	5,394.00	5,571.60	5,673.60
O-3 ³	4,431.60	4,568.70	4,794.30	4,911.30	4,911.30
O-2 ³	3,592.50	3,592.50	3,592.50	3,592.50	3,592.50
O-1 ³	2,834.70	2,834.70	2,834.70	2,834.70	2,834.70
	Over 18	Over 20	Over 22	Over 24	Over 26
O-10 ²	\$0.00	\$12,524.70	\$12,586.20	\$12,847.80	\$13,303.80
O-9	0.00	10,954.50	11,112.30	11,340.30	11,738.40
O-8	9,995.70	10,379.10	10,635.30	10,635.30	10,635.30
O-7	9,386.10	9,386.10	9,386.10	9,386.10	9,433.50
O-6	7,154.10	7,500.90	7,698.30	7,897.80	8,285.40
O-5	6,389.70	6,563.40	6,760.80	6,760.80	6,760.80
O-4	5,733.00	5,733.00	5,733.00	5,733.00	5,733.00
O-3 ³	4,911.30	4,911.30	4,911.30	4,911.30	4,911.30
O-2 ³	3,592.50	3,592.50	3,592.50	3,592.50	3,592.50
O-1 ³	2,834.70	2,834.70	2,834.70	2,834.70	2,834.70

¹ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades O-7 through O-10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

² Subject to the preceding footnote, the rate of basic pay for an officer in this grade while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, is \$14,679.30, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³ This table does not apply to commissioned officers in pay grade O-1, O-2, or O-3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

**COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE
AS AN ENLISTED MEMBER OR WARRANT OFFICER**

Years of service computed under section 205 of title 37, United States Code

<i>Pay Grade</i>	<i>2 or less</i>	<i>Over 2</i>	<i>Over 3</i>	<i>Over 4</i>	<i>Over 6</i>
<i>O-3E</i>	\$0.00	\$0.00	\$0.00	\$4,027.20	\$4,220.10
<i>O-2E</i>	0.00	0.00	0.00	3,537.00	3,609.90
<i>O-1E</i>	0.00	0.00	0.00	2,848.50	3,042.30
	<i>Over 8</i>	<i>Over 10</i>	<i>Over 12</i>	<i>Over 14</i>	<i>Over 16</i>
<i>O-3E</i>	\$4,431.60	\$4,568.70	\$4,794.30	\$4,984.20	\$5,092.80
<i>O-2E</i>	3,724.80	3,918.60	4,068.60	4,180.20	4,180.20
<i>O-1E</i>	3,154.50	3,269.40	3,382.20	3,537.00	3,537.00
	<i>Over 18</i>	<i>Over 20</i>	<i>Over 22</i>	<i>Over 24</i>	<i>Over 26</i>
<i>O-3E</i>	\$5,241.30	\$5,241.30	\$5,241.30	\$5,241.30	\$5,241.30
<i>O-2E</i>	4,180.20	4,180.20	4,180.20	4,180.20	4,180.20
<i>O-1E</i>	3,537.00	3,537.00	3,537.00	3,537.00	3,537.00

WARRANT OFFICERS¹

Years of service computed under section 205 of title 37, United States Code

<i>Pay Grade</i>	<i>2 or less</i>	<i>Over 2</i>	<i>Over 3</i>	<i>Over 4</i>	<i>Over 6</i>
<i>W-5 ...</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>W-4 ...</i>	3,119.40	3,355.80	3,452.40	3,547.20	3,710.40
<i>W-3 ...</i>	2,848.80	2,967.90	3,089.40	3,129.30	3,257.10
<i>W-2 ...</i>	2,505.90	2,649.00	2,774.10	2,865.30	2,943.30
<i>W-1 ...</i>	2,212.80	2,394.00	2,515.20	2,593.50	2,802.30
	<i>Over 8</i>	<i>Over 10</i>	<i>Over 12</i>	<i>Over 14</i>	<i>Over 16</i>
<i>W-5 ...</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>W-4 ...</i>	3,871.50	4,035.00	4,194.30	4,359.00	4,617.30
<i>W-3 ...</i>	3,403.20	3,595.80	3,786.30	3,988.80	4,140.60
<i>W-2 ...</i>	3,157.80	3,321.60	3,443.40	3,562.20	3,643.80
<i>W-1 ...</i>	2,928.30	3,039.90	3,164.70	3,247.20	3,321.90
	<i>Over 18</i>	<i>Over 20</i>	<i>Over 22</i>	<i>Over 24</i>	<i>Over 26</i>
<i>W-5 ...</i>	\$0.00	\$5,360.70	\$5,544.30	\$5,728.80	\$5,914.20
<i>W-4 ...</i>	4,782.60	4,944.30	5,112.00	5,277.00	5,445.90
<i>W-3 ...</i>	4,291.80	4,356.90	4,424.10	4,570.20	4,716.30
<i>W-2 ...</i>	3,712.50	3,843.00	3,972.60	4,103.70	4,103.70
<i>W-1 ...</i>	3,443.70	3,535.80	3,535.80	3,535.80	3,535.80

¹Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.

ENLISTED MEMBERS¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E-9 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E-8	0.00	0.00	0.00	0.00	0.00
E-7	2,145.00	2,341.20	2,430.60	2,549.70	2,642.10
E-6	1,855.50	2,041.20	2,131.20	2,218.80	2,310.00
E-5	1,700.10	1,813.50	1,901.10	1,991.10	2,130.60
E-4	1,558.20	1,638.30	1,726.80	1,814.10	1,891.50
E-3	1,407.00	1,495.50	1,585.50	1,585.50	1,585.50
E-2	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 ³	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90
	Over 8	Over 10	Over 12	Over 14	Over 16
E-9 ²	\$0.00	\$3,769.20	\$3,854.70	\$3,962.40	\$4,089.30
E-8	3,085.50	3,222.00	3,306.30	3,407.70	3,517.50
E-7	2,801.40	2,891.10	2,980.20	3,139.80	3,219.60
E-6	2,516.10	2,596.20	2,685.30	2,763.30	2,790.90
E-5	2,250.90	2,339.70	2,367.90	2,367.90	2,367.90
E-4	1,891.50	1,891.50	1,891.50	1,891.50	1,891.50
E-3	1,585.50	1,585.50	1,585.50	1,585.50	1,585.50
E-2	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 ³	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90
	Over 18	Over 20	Over 22	Over 24	Over 26
E-9 ²	\$4,216.50	\$4,421.10	\$4,594.20	\$4,776.60	\$5,054.70
E-8	3,715.50	3,815.70	3,986.40	4,081.20	4,314.30
E-7	3,295.50	3,341.70	3,498.00	3,599.10	3,855.00
E-6	2,809.80	2,809.80	2,809.80	2,809.80	2,809.80
E-5	2,367.90	2,367.90	2,367.90	2,367.90	2,367.90
E-4	1,891.50	1,891.50	1,891.50	1,891.50	1,891.50
E-3	1,585.50	1,585.50	1,585.50	1,585.50	1,585.50
E-2	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 ³	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90

¹ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

² Subject to the preceding footnote, the rate of basic pay for an enlisted member in this grade while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, is \$6,090.90, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³ In the case of members in pay grade E-1 who have served less than 4 months on active duty, the rate of basic pay is \$1,086.00.

1 (c) INCREASE IN BASIC PAY FOR OTHER MEMBERS OF
2 UNIFORMED SERVICES.—Effective on January 1, 2004, the
3 rates of monthly basic pay for members of the National Oce-
4 anic and Atmospheric Administration and the Public
5 Health Service are increased by 2 percent.

1 (d) *DEFINITIONS.*—*In this section, the terms “armed*
2 *forces” and “uniformed services” have the meanings given*
3 *such terms in section 101 of title 37, United States Code.*

4 ***SEC. 602. COMPUTATION OF BASIC PAY RATE FOR COMMIS-***
5 ***SIONED OFFICERS WITH PRIOR ENLISTED OR***
6 ***WARRANT OFFICER SERVICE.***

7 Section 203(d)(2) of title 37, United States Code, is
8 amended—

9 (1) in subparagraph (A), by striking “enlisted
10 member,” and all that follows through the period and
11 inserting “enlisted member.”; and

12 (2) by striking subparagraph (B) and inserting
13 the following new subparagraph:

14 “(B) Service as a warrant officer, as an enlisted
15 member, or as a warrant officer and an enlisted
16 member, for which at least 1,460 points have been
17 credited to the officer for the purposes of section
18 12732(a)(2) of title 10.”.

19 ***SEC. 603. SPECIAL SUBSISTENCE ALLOWANCE AUTHORI-***
20 ***TIES FOR MEMBERS ASSIGNED TO HIGH-COST***
21 ***DUTY LOCATION OR UNDER OTHER UNIQUE***
22 ***AND UNUSUAL CIRCUMSTANCES.***

23 (a) *IN GENERAL.*—Section 402 of title 37, United
24 States Code, is amended—

1 (1) *by redesignating subsections (f) and (g) as*
2 *subsections (g) and (h), respectively; and*

3 (2) *by inserting after subsection (e) the following*
4 *new subsection:*

5 “(f) *SPECIAL RULE FOR HIGH-COST DUTY LOCATIONS*
6 *AND OTHER UNIQUE AND UNUSUAL CIRCUMSTANCES.—The*
7 *Secretary of Defense may authorize a member of the armed*
8 *forces who is assigned to duty in a high-cost duty location*
9 *or under other unique and unusual circumstances, but is*
10 *not entitled to the meals portion of the per diem in connec-*
11 *tion with that duty, to receive any or all of the following:*

12 “(1) *Meals at no cost to the member, regardless*
13 *of the entitlement of the member to a basic allowance*
14 *for subsistence under subsection (a).*

15 “(2) *A basic allowance for subsistence at the*
16 *standard rate, regardless of the entitlement of the*
17 *member for all meals or select meals during the duty*
18 *day.*

19 “(3) *A supplemental subsistence allowance at a*
20 *rate higher than the basic allowance for subsistence*
21 *rates in effect under this section, regardless of the en-*
22 *titlement of the member for all meals or select meals*
23 *during the duty day.”.*

24 (b) *RETROACTIVE AND PROSPECTIVE APPLICATION.—*
25 *Subsection (f) of section 402 of title 37, United States Code,*

1 *as added by subsection (a), shall apply with respect to mem-*
2 *bers of the Armed Forces assigned to duty in a high-cost*
3 *duty location or under other unique and unusual cir-*
4 *cumstances, as determined pursuant to regulations pre-*
5 *scribed pursuant to subsection (c), after September 11,*
6 *2001.*

7 (c) *REGULATIONS; TIME LIMITS.—Final regulations*
8 *to carry out subsection (f) of section 402 of title 37, United*
9 *States Code, as added by subsection (a), shall be prescribed*
10 *not later than 180 days after the date of the enactment of*
11 *this Act. The regulations shall provide a method by which*
12 *a member of the Armed Forces covered by such subsection*
13 *(f) may obtain reimbursement for subsistence expenses in-*
14 *curred by the member during the period beginning on Sep-*
15 *tember 11, 2001, and ending on the date the regulations*
16 *take effect.*

17 ***Subtitle B—Bonuses and Special***
18 ***and Incentive Pays***

19 ***SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND***
20 ***SPECIAL PAY AUTHORITIES FOR RESERVE***
21 ***FORCES.***

22 (a) *SELECTED RESERVE REENLISTMENT BONUS.—*
23 *Section 308b(f) of title 37, United States Code, is amended*
24 *by striking “December 31, 2003” and inserting “December*
25 *31, 2004”.*

1 (b) *REPAYMENT OF EDUCATION LOANS FOR CERTAIN*
2 *HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED*
3 *RESERVE.*—Section 16302(d) of such title is amended by
4 striking “January 1, 2004” and inserting “January 1,
5 2005”.

6 (c) *ACCESSION BONUS FOR REGISTERED NURSES.*—
7 Section 302d(a)(1) of title 37, United States Code, is
8 amended by striking “December 31, 2003” and inserting
9 “December 31, 2004”.

10 (d) *INCENTIVE SPECIAL PAY FOR NURSE ANES-*
11 *THETISTS.*—Section 302e(a)(1) of such title is amended by
12 striking “December 31, 2003” and inserting “December 31,
13 2004”.

14 (e) *SPECIAL PAY FOR SELECTED RESERVE HEALTH*
15 *PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIAL-*
16 *TIES.*—Section 302g(f) of such title is amended by striking
17 “December 31, 2003” and inserting “December 31, 2004”.

18 (f) *ACCESSION BONUS FOR DENTAL OFFICERS.*—Sec-
19 tion 302h(a)(1) of such title is amended by striking “De-
20 cember 31, 2003” and inserting “December 31, 2004”.

21 **SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND**
22 **BONUS AUTHORITIES FOR NUCLEAR OFFI-**
23 **CERS.**

24 (a) *SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS*
25 *EXTENDING PERIOD OF ACTIVE SERVICE.*—Section 312(e)

1 *of title 37, United States Code, is amended by striking “De-*
2 *cember 31, 2003” and inserting “December 31, 2004”.*

3 (b) *NUCLEAR CAREER ACCESSION BONUS.*—Section
4 *312b(c) of such title is amended by striking “December 31,*
5 *2003” and inserting “December 31, 2004”.*

6 (c) *NUCLEAR CAREER ANNUAL INCENTIVE BONUS.*—
7 *Section 312c(d) of such title is amended by striking “De-*
8 *cember 31, 2003” and inserting “December 31, 2004”.*

9 **SEC. 614. ONE-YEAR EXTENSION OF OTHER BONUS AND**

10 **SPECIAL PAY AUTHORITIES.**

11 (a) *AVIATION OFFICER RETENTION BONUS.*—Section
12 *301b(a) of title 37, United States Code, is amended by strik-*
13 *ing “December 31, 2003” and inserting “December 31,*
14 *2004”.*

15 (b) *REENLISTMENT BONUS FOR ACTIVE MEMBERS.*—
16 *Section 308(g) of such title is amended by striking “Decem-*
17 *ber 31, 2003” and inserting “December 31, 2004”.*

18 (c) *ENLISTMENT BONUS FOR ACTIVE MEMBERS.*—Sec-
19 *tion 309(e) of such title is amended by striking “December*
20 *31, 2003” and inserting “December 31, 2004”.*

21 (d) *RETENTION BONUS FOR MEMBERS WITH CRITICAL*
22 *MILITARY SKILLS.*—Section 323(i) of such title is amended
23 *by striking “December 31, 2003” and inserting “December*
24 *31, 2004”.*

1 (e) *ACCESSION BONUS FOR NEW OFFICERS IN CRIT-*
2 *ICAL SKILLS.*—Section 324(g) of such title is amended by
3 striking “December 31, 2003” and inserting “December 31,
4 2004”.

5 **SEC. 615. COMPUTATION OF HAZARDOUS DUTY INCENTIVE**
6 **PAY FOR DEMOLITION DUTY AND PARACHUTE**
7 **JUMPING BY MEMBERS OF RESERVE COMPO-**
8 **NENTS ENTITLED TO COMPENSATION UNDER**
9 **SECTION 206 OF TITLE 37.**

10 (a) *IN GENERAL.*—Section 301(f) of title 37, United
11 States Code, is amended by adding at the end the following
12 new paragraph:

13 “(3) Notwithstanding paragraphs (1) or (2), if a mem-
14 ber described in paragraph (1) performs the duty described
15 in clauses (3) or (4) of subsection (a) in any month, the
16 member shall be entitled for that month to the full amount
17 specified in the first sentence of subsection (c)(1), in the
18 case of the duty described in clause (4) of subsection (a)
19 or parachute jumping involving the use of a static line, or
20 the full amount specified in the second sentence of subsection
21 (c)(1), in the case of parachute jumping in military free
22 fall operations.”.

23 (b) *EFFECTIVE DATE.*—The amendment made by sub-
24 section (a) shall take effect October 1, 2003.

1 **SEC. 616. AVAILABILITY OF HOSTILE FIRE AND IMMINENT**
2 **DANGER PAY FOR RESERVE COMPONENT**
3 **MEMBERS ON INACTIVE DUTY.**

4 (a) *EXPANSION AND CLARIFICATION OF CURRENT*
5 *LAW.*—Section 310 of title 37, United States Code, is
6 *amended—*

7 (1) *by redesignating subsections (b) and (c) as*
8 *subsections (c) and (d), respectively; and*

9 (2) *by striking subsection (a) and inserting the*
10 *following new subsections:*

11 “(a) *ELIGIBILITY AND SPECIAL PAY AMOUNT.*—Under
12 *regulations prescribed by the Secretary of Defense, a mem-*
13 *ber of a uniformed service may be paid special pay at the*
14 *rate of \$150 for any month in which—*

15 (1) *the member was entitled to basic pay or*
16 *compensation under section 204 or 206 of this title;*
17 *and*

18 (2) *the member—*

19 (A) *was subject to hostile fire or explosion*
20 *of hostile mines;*

21 (B) *was on duty in an area in which the*
22 *member was in imminent danger of being ex-*
23 *posed to hostile fire or explosion of hostile mines*
24 *and in which, during the period the member was*
25 *on duty in the area, other members of the uni-*

1 *formed services were subject to hostile fire or ex-*
2 *pllosion of hostile mines;*

3 *“(C) was killed, injured, or wounded by*
4 *hostile fire, explosion of a hostile mine, or any*
5 *other hostile action; or*

6 *“(D) was on duty in a foreign area in*
7 *which the member was subject to the threat of*
8 *physical harm or imminent danger on the basis*
9 *of civil insurrection, civil war, terrorism, or*
10 *wartime conditions.*

11 *“(b) CONTINUATION DURING HOSPITALIZATION.—A*
12 *member covered by subsection (a)(2)(C) who is hospitalized*
13 *for the treatment of the injury or wound may be paid spe-*
14 *cial pay under this section for not more than three addi-*
15 *tional months during which the member is so hospitalized.”.*

16 *(b) CLERICAL AMENDMENTS.—Such section is further*
17 *amended—*

18 *(1) in subsection (c), as redesignated by sub-*
19 *section (a)(1), by inserting “LIMITATIONS AND AD-*
20 *MINISTRATION.—” before “(1)”;* and

21 *(2) in subsection (d), as redesignated by sub-*
22 *section (a)(1), by inserting “DETERMINATIONS OF*
23 *FACT.—” before “Any”.*

1 **SEC. 617. EXPANSION OF OVERSEAS TOUR EXTENSION IN-**
2 **CENTIVE PROGRAM TO OFFICERS.**

3 (a) *SPECIAL PAY OR BONUS FOR EXTENDING OVER-*
4 *SEAS TOUR OF DUTY.*—(1) *Subsections (a) and (b) of sec-*
5 *tion 314 of title 37, United States Code, are amended by*
6 *striking “an enlisted member” and inserting “a member”.*

7 (2)(A) *The heading of such section is amended to read*
8 *as follows:*

9 **“§314. Special pay or bonus: qualified members ex-**
10 **tending duty at designated locations over-**
11 **seas”.**

12 (B) *The item relating to such section in the table of*
13 *sections at the beginning of chapter 5 of such title is amend-*
14 *ed to read as follows:*

“314. Special pay or bonus: qualified members extending duty at designated loca-
tions overseas.”.

15 (b) *REST AND RECUPERATIVE ABSENCE IN LIEU OF*
16 *PAY OR BONUS.*—(1) *Subsection (a) of section 705 of title*
17 *10, United States Code, is amended by striking “an enlisted*
18 *member” and inserting “a member”.*

19 (2)(A) *The heading of such section is amended to read*
20 *as follows:*

1 **“§ 705. Rest and recuperation absence: qualified mem-**
 2 **bers extending duty at designated loca-**
 3 **tions overseas”.**

4 (B) *The item relating to such section in the table of*
 5 *sections at the beginning of chapter 40 of such title is*
 6 *amended to read as follows:*

“705. Rest and recuperative absence for qualified members extending duty at des-
ignated locations overseas.”.

7 **SEC. 618. ELIGIBILITY OF APPOINTED WARRANT OFFICERS**
 8 **FOR ACCESSION BONUS FOR NEW OFFICERS**
 9 **IN CRITICAL SKILLS.**

10 *Section 324 of title 37, United States Code, is amended*
 11 *in subsections (a) and (f)(1) by inserting “or an appoint-*
 12 *ment” after “commission”.*

13 **SEC. 619. INCENTIVE PAY FOR DUTY ON GROUND IN ANT-**
 14 **ARCTICA OR ON ARCTIC ICEPACK.**

15 (a) *IN GENERAL.—(1) Chapter 5 of title 37, United*
 16 *States Code, is amended by inserting after section 301e the*
 17 *following new section:*

18 **“§ 301f. Incentive pay: duty on ground in Antarctica**
 19 **or on Arctic icepack**

20 *“(a) AVAILABILITY OF INCENTIVE PAY.—A member of*
 21 *the uniformed services who performs duty at a location de-*
 22 *scribed in subsection (b) is entitled to special pay under*
 23 *this section at a rate of \$5 for each day of that duty.*

1 “(b) *COVERED LOCATIONS.*—Subsection (a) applies
2 with respect to duty performed on the ground in Antarctica
3 or on the Arctic icepack.”.

4 (2) The table of sections at the beginning of such chap-
5 ter is amended by inserting after the item relating to section
6 301e the following new item:

“301f. Incentive pay: duty on ground in Antarctica or on Arctic icepack.”.

7 (b) *EFFECTIVE DATE.*—Section 301f of title 37, United
8 States Code, as added by subsection (a), shall take effect
9 on October 1, 2003.

10 **SEC. 620. SPECIAL PAY FOR SERVICE AS MEMBER OF WEAP-**
11 **ONS OF MASS DESTRUCTION CIVIL SUPPORT**
12 **TEAM.**

13 (a) *IN GENERAL.*—(1) Chapter 5 of title 37, United
14 States Code, is amended by inserting after section 305a the
15 following new section:

16 **“§ 305b. Special pay: service as member of Weapons of**
17 **Mass Destruction Civil Support Team**

18 “(a) *AVAILABILITY OF SPECIAL PAY.*—The Secretary
19 of a military department may pay special pay under this
20 section to a member of the armed forces under the jurisdic-
21 tion of that Secretary who is entitled to basic pay under
22 section 204 and is assigned by orders to duty as a member
23 of a Weapons of Mass Destruction Civil Support Team.

24 “(b) *MONTHLY RATE.*—Special pay payable under
25 subsection (a) shall be paid at a rate equal to \$150 a month.

1 “(c) *ELIGIBILITY OF RESERVE COMPONENT MEMBERS*
2 *WHEN PERFORMING INACTIVE DUTY TRAINING.*—Under
3 *regulations prescribed by the Secretary concerned and to*
4 *the extent provided for in appropriation Acts, when a mem-*
5 *ber of a reserve component of the armed forces who is enti-*
6 *tled to compensation under section 206 of this title performs*
7 *duty under orders as a member of a Weapons of Mass De-*
8 *struction Civil Support Team, the member may be paid an*
9 *increase in compensation equal to $\frac{1}{30}$ of the monthly spe-*
10 *cial pay specified in subsection (b) for each day on which*
11 *the member performs such duty.*

12 “(d) *DEFINITION.*—*In this section, the term ‘Weapons*
13 *of Mass Destruction Civil Support Team’ means a team*
14 *of members of the reserve components of the armed forces*
15 *that is established under section 12310(c) of title 10 in sup-*
16 *port of emergency preparedness programs to prepare for or*
17 *to respond to any emergency involving the use of a weapon*
18 *of mass destruction.”.*

19 (2) *The table of sections at the beginning of such chap-*
20 *ter is amended by inserting after the item relating to section*
21 *305a the following new item:*

“305b. Special pay: service as member of Weapons of Mass Destruction Civil Sup-
port Team.”.

22 (b) *EFFECTIVE DATE.*—*Section 305b of title 37,*
23 *United States Code, as added by subsection (a), shall take*
24 *effect on October 1, 2003.*

1 **SEC. 621. INCENTIVE BONUS FOR AGREEMENT TO SERVE IN**
2 **CRITICALLY SHORT MILITARY OCCUPA-**
3 **TIONAL SPECIALTY.**

4 (a) *IN GENERAL.*—Chapter 5 of title 37, United States
5 Code, is amended by adding at the end the following new
6 section:

7 **“§ 326. Incentive bonus: lateral conversion bonus for**
8 **service in critically short military occupa-**
9 **tional speciality**

10 “(a) *INCENTIVE BONUS AUTHORIZED.*—The Secretary
11 concerned may pay a bonus under this section to a member
12 of the armed forces who executes a written agreement to con-
13 vert to, and serve for a period of not less than two years
14 in, a critically short military occupational speciality.

15 “(b) *ELIGIBLE MEMBERS.*—A bonus may only be paid
16 under this section only to a member who—

17 “(1) is entitled to basic pay; and

18 “(2) is serving in pay grade E-6 (with less than
19 10 years of service computed under section 205 of this
20 title) or pay grade E-5 or below (regardless of years
21 of service) at the time the agreement under subsection
22 (a) is executed.

23 “(c) *AMOUNT AND PAYMENT OF BONUS.*—(1) A bonus
24 under this section may not exceed \$4,000.

25 “(2) A bonus payable under this section shall be dis-
26 bursed in one lump sum payment when the member’s con-

1 *version to the critically short military occupational spe-*
2 *cialty is approved by the personnel chief of the member's*
3 *armed force.*

4 “(d) *RELATIONSHIP TO OTHER PAY AND ALLOW-*
5 *ANCES.—A bonus paid to a member under this section is*
6 *in addition to any other pay and allowances to which the*
7 *member is entitled.*

8 “(e) *REPAYMENT OF BONUS.—(1) A member who re-*
9 *ceives a bonus under this section and who, voluntarily or*
10 *because of misconduct, fails to serve in the critically short*
11 *military occupational specialty for the period specified in*
12 *the agreement shall refund to the United States an amount*
13 *that bears the same ratio to the bonus amount paid to the*
14 *member as the unserved part of such period bears to the*
15 *total period agreed to be served.*

16 “(2) *An obligation to reimburse the United States im-*
17 *posed under paragraph (1) is, for all purposes, a debt owed*
18 *to the United States.*

19 “(3) *A discharge in bankruptcy under title 11 that is*
20 *entered less than five years after the termination of the*
21 *agreement for which a bonus was paid under this section*
22 *shall not discharge the person signing such agreement from*
23 *the debt arising under paragraph (1).*

24 “(4) *Under regulations prescribed pursuant to sub-*
25 *section (f), the Secretary concerned may waive, in whole*

1 *in part, a refund required under paragraph (1) if the Sec-*
2 *retary determines that recovery would be against equity*
3 *and good conscience or would be contrary to the best inter-*
4 *ests of the United States.*

5 “(f) *REGULATIONS.*—*The Secretaries concerned shall*
6 *prescribe regulations to carry out this section. Regulations*
7 *prescribed by the Secretary of a military department shall*
8 *be subject to the approval of the Secretary of Defense.*

9 “(g) *DEFINITION.*—*In this section, the term ‘critically*
10 *short military occupational specialty’ means a military oc-*
11 *cupational specialty, military rating, or other military spe-*
12 *ciality designated by the Secretary concerned as under-*
13 *manned for purposes of this section.*

14 “(h) *TERMINATION OF AUTHORITY.*—*No agreement*
15 *under this section may be entered into after December 31,*
16 *2004.”.*

17 “(b) *CLERICAL AMENDMENT.*—*The table of sections at*
18 *the beginning of such chapter is amended by adding at the*
19 *end the following new item:*

“326. *Incentive bonus: lateral conversion bonus for service in critically short mili-*
tary occupational speciality.”.

1 **SEC. 622. INCREASE IN RATE FOR IMMINENT DANGER PAY**
2 **AND FAMILY SEPARATION ALLOWANCE RE-**
3 **LATED TO SERVICE IN OPERATION IRAQI**
4 **FREEDOM OR OPERATION ENDURING FREE-**
5 **DOM.**

6 (a) *SPECIAL PAYMENT RATES.*—Effective October 1,
7 2003, in the case of a member of the uniformed services who
8 serves, for any period of time during a month, in a combat
9 zone designated for Operation Iraqi Freedom or Operation
10 Enduring Freedom, the monthly rate for imminent danger
11 pay under section 310 of title 37, United States Code, shall
12 be deemed to be \$225 and the monthly rate for the family
13 separation allowance under section 427 of such title shall
14 be deemed to be \$250.

15 (b) *DURATION.*—The special rates for imminent dan-
16 ger pay and the family separation allowance in effect under
17 subsection (a) for an operation referred to in such sub-
18 section expire on the date the President terminates the oper-
19 ation.

20 **Subtitle C—Travel and**
21 **Transportation Allowances**

22 **SEC. 631. SHIPMENT OF PRIVATELY OWNED MOTOR VEHI-**
23 **CLE WITHIN CONTINENTAL UNITED STATES.**

24 (a) *AUTHORITY TO PROCURE CONTRACT FOR TRANS-*
25 *PORTATION OF MOTOR VEHICLE.*—Section 2634 of title 10,
26 *United States Code, is amended—*

1 (1) by redesignating subsection (h) as subsection
2 (i); and

3 (2) by inserting after subsection (g) the following
4 new subsection (h):

5 “(h) In the case of a change of permanent station de-
6 scribed in subparagraph (A) or (B) of subsection (i)(1), the
7 Secretary concerned may authorize the member to arrange
8 for the shipment of the motor vehicle in lieu of transpor-
9 tation at the expense of the United States under this section.
10 The Secretary concerned may pay the member a monetary
11 allowance in lieu of transportation, as established under
12 section 404(d)(1) of title 37, and the member shall be re-
13 sponsible for any transportation costs in excess of such al-
14 lowance.”.

15 (b) ALLOWANCE FOR SELF-PROCUREMENT OF TRANS-
16 PORTATION OF MOTOR VEHICLE.—Section 406(b)(1)(B) of
17 title 37, United States Code, is amended by adding at the
18 end the following new sentence: “In the case of the transpor-
19 tation of a motor vehicle arranged by the member under
20 section 2634(h) of title 10, the Secretary concerned may pay
21 the member, upon proof of shipment, a monetary allowance
22 in lieu of transportation, as established under section
23 404(d)(1) of this title.”.

1 **SEC. 632. PAYMENT OR REIMBURSEMENT OF STUDENT BAG-**
2 **GAGE STORAGE COSTS FOR DEPENDENT**
3 **CHILDREN OF MEMBERS STATIONED OVER-**
4 **SEAS.**

5 *Section 430(b)(2) of title 37, United States Code, is*
6 *amended in the first sentence by inserting before the period*
7 *at the end the following: “or during a different period in*
8 *the same fiscal year selected by the member”.*

9 **SEC. 633. REIMBURSEMENT FOR LODGING EXPENSES OF**
10 **CERTAIN RESERVE COMPONENT AND RE-**
11 **TIRED MEMBERS DURING AUTHORIZED**
12 **LEAVE FROM TEMPORARY DUTY LOCATION.**

13 *(a) REIMBURSEMENT AUTHORIZED.—The Secretary*
14 *concerned (as defined in section 101 of title 37, United*
15 *States Code) may reimburse a member of the Armed Forces*
16 *described in subsection (b) for lodging expenses incurred by*
17 *the member at the member’s duty location while the member*
18 *is in an authorized leave status.*

19 *(b) COVERED MEMBERS.—Subsection (a) applies with*
20 *respect to a member of a reserve component who is called*
21 *or ordered to active duty for a period of more than 30 days,*
22 *or a retired member who is ordered to active duty under*
23 *section 688(a) of title 10, United States Code, if the mem-*
24 *ber—*

1 (1) *immediately before taking authorized leave*
2 *was performing duty at a location away from the*
3 *member's home;*

4 (2) *was receiving a per diem allowance under*
5 *section 404(a)(4) of title 37, United States Code, to*
6 *cover lodging and subsistence expenses incurred at the*
7 *duty location because quarters of the United States*
8 *were not available for assignment to the member at*
9 *that location; and*

10 (3) *immediately after completing the authorized*
11 *leave, returned to the duty location.*

12 (c) *AMOUNT OF REIMBURSEMENT.*—*The amount of the*
13 *reimbursement provided to a member under subsection (a)*
14 *may not exceed the lesser of—*

15 (1) *the actual daily cost of lodging incurred by*
16 *the member at the duty location while the member*
17 *was in an authorized leave status; and*

18 (2) *the lodging portion of the applicable daily*
19 *per diem rate for that duty location.*

20 (d) *RETROACTIVE APPLICATION.*—*This section applies*
21 *with respect to members of the reserve components described*
22 *in subsection (b) who, since September 11, 2001, were or*
23 *are called or ordered to active duty for a period of more*
24 *than 30 days and retired members described in such sub-*

1 *section who, since that date, were or are ordered to active*
2 *duty under section 688(a) of title 10, United States Code.*

3 ***Subtitle D—Retired Pay and***
4 ***Survivors Benefits***

5 ***SEC. 641. FUNDING FOR SPECIAL COMPENSATION AU-***
6 ***THORITIES FOR DEPARTMENT OF DEFENSE***
7 ***RETIREES.***

8 *(a) SOURCE OF PAYMENTS.—*

9 *(1) Section 1413(g) of title 10, United States*
10 *Code, is amended—*

11 *(A) by inserting before “Payments under”*
12 *the following new sentence: “Payments under*
13 *this section for a member of the Army, Navy, Air*
14 *Force, or Marine Corps shall be paid from the*
15 *Department of Defense Military Retirement*
16 *Fund.”; and*

17 *(B) by inserting “for any other member”*
18 *before “for any fiscal year”.*

19 *(2) Section 1413a(h) of such title is amended—*

20 *(A) by inserting before “Payments under”*
21 *the following new sentence: “Payments under*
22 *this section for a member of the Army, Navy, Air*
23 *Force, or Marine Corps shall be paid from the*
24 *Department of Defense Military Retirement*
25 *Fund.”; and*

1 (B) by inserting “for any other member”
2 before “for any fiscal year”.

3 (b) *PAYMENT OF INCREASED RETIREMENT TRUST*
4 *FUND COSTS DUE TO CONCURRENT RECEIPT OR EN-*
5 *HANCED SPECIAL DISABILITY COMPENSATION PAY-*
6 *MENTS.—*

7 (1) *Section 1463(a)(1) of this title is amended by*
8 *inserting before the semicolon the following: “and*
9 *payments under section 1413, 1413a, or 1414 of this*
10 *title paid to such members”.*

11 (2) *Section 1465(b) of such title is amended by*
12 *adding at the end the following new paragraph:*

13 “(3) *At the same time that the Secretary of Defense*
14 *makes the determination required by paragraph (1) for any*
15 *fiscal year, the Secretary shall determine the amount of the*
16 *Treasury contribution to be made to the Fund for the next*
17 *fiscal year under section 1466(b)(2)(D) of this title. That*
18 *amount shall be determined in the same manner as the de-*
19 *termination under paragraph (1) of the total amount of De-*
20 *partment of Defense contributions to be made to the Fund*
21 *during that fiscal year under section 1466(a) of this title,*
22 *except that for purposes of this paragraph the Secretary,*
23 *in making the calculations required by subparagraphs (A)*
24 *and (B) of that paragraph, shall use the single level percent-*

1 *ages determined under subsection (c)(4), rather than those*
2 *determined under subsection (c)(1).”.*

3 *(3) Section 1465(c) of such title is amended—*

4 *(A) in paragraph (1)—*

5 *(i) in subparagraph (A), by inserting before*
6 *the semicolon at the end the following: “, to be*
7 *determined without regard to section 1413,*
8 *1413a, or 1414 of this title”;*

9 *(ii) in subparagraph (B), by inserting be-*
10 *fore the period at the end the following: “, to be*
11 *determined without regard to section 1413,*
12 *1413a, or 1414 of this title”;* and

13 *(iii) in the sentence following subparagraph*
14 *(B), by striking “subsection (b)” and inserting*
15 *“subsection (b)(1)”;*

16 *(B) by redesignating paragraph (4) as para-*
17 *graph (5); and*

18 *(C) by inserting after paragraph (3) the fol-*
19 *lowing new paragraph (4):*

20 *“(4) Whenever the Secretary carries out an actuarial*
21 *valuation under paragraph (1), the Secretary shall include*
22 *as part of such valuation the following:*

23 *“(A) A determination of a single level percentage*
24 *determined in the same manner as applies under sub-*
25 *paragraph (A) of paragraph (1), but based only upon*

1 *the provisions of section 1413, 1413a, or 1414 of this*
2 *title (whichever is in effect).*

3 “(B) *A determination of a single level percentage*
4 *determined in the same manner as applies under sub-*
5 *paragraph (B) of paragraph (1), but based only upon*
6 *the provisions of section 1413, 1413a, or 1414 of this*
7 *title (whichever is in effect).*

8 *Such single level percentages shall be used for the purposes*
9 *of subsection (b)(3).”.*

10 (4) *Section 1466(b) of such title is amended—*

11 (A) *in paragraph (1), by striking “sections*
12 *1465(a) and 1465(c)” and inserting “sections*
13 *1465(a), 1465(b)(3), 1465(c)(2), and 1465(c)(3)”;* and

14 (B) *by adding at the end of paragraph (2) the*
15 *following new subparagraph:*

16 “(D) *The amount for that year determined by*
17 *the Secretary of Defense under section 1465(b)(3) of*
18 *this title for the cost to the Fund arising from in-*
19 *creased amounts payable from the Fund by reason of*
20 *section 1413, 1413a, or 1414 of this title.”.*

21 (c) *EFFECTIVE DATE.—The amendments made by this*
22 *section shall take effect on October 1, 2003.*

1 ***Subtitle E—Commissary and Non-***
2 ***appropriated Fund Instrument-***
3 ***ality Benefits***

4 ***SEC. 651. EXPANDED COMMISSARY ACCESS FOR SELECTED***
5 ***RESERVE MEMBERS, RESERVE RETIREES***
6 ***UNDER AGE 60, AND THEIR DEPENDENTS.***

7 *(a) ACCESS TO MILITARY COMMISSARIES.—Section*
8 *1065 of title 10, United States Code, is amended—*

9 *(1) in subsections (a), (b), and (c), by inserting*
10 *“commissary stores and” after “use” each place it ap-*
11 *pears; and*

12 *(2) in subsection (d)—*

13 *(A) by inserting “commissary stores and”*
14 *after “use” the first and third places it appears;*
15 *and*

16 *(B) by inserting “stores and” after “use”*
17 *the second and fourth places it appears.*

18 *(b) CONFORMING AMENDMENTS; TRANSFER OF SEC-*
19 *TION.—Chapter 54 of such title is amended—*

20 *(1) by striking sections 1063 and 1064;*

21 *(2) in section 1063a(c)(2), by striking “section*
22 *1065(e)” and inserting “section 1063(e)”;*

23 *(3) by redesignating section 1063a, as amended*
24 *by paragraph (2), as section 1064;*

1 Congress and a period of 90 days of continuous session of
2 Congress expires following the date on which notice was re-
3 ceived, determined as provided in section 2486(d)(2) of this
4 title.”.

5 **SEC. 654. USE OF APPROPRIATED FUNDS TO OPERATE DE-**
6 **FENSE COMMISSARY SYSTEM.**

7 (a) *REQUIREMENT THAT COMMISSARY OPERATING*
8 *EXPENSES BE PAID FROM APPROPRIATED FUNDS.*—Sec-
9 *tion 2484 of title 10, United States Code, is amended—*

10 (1) *in subsection (a), by striking “may” and in-*
11 *serting “shall”; and*

12 (2) *in subsection (b), by striking “may” in the*
13 *first sentence and inserting “shall”.*

14 (b) *SUPPLEMENTAL FUNDS FOR COMMISSARY OPER-*
15 *ATIONS.*—*Such section is further amended by adding at the*
16 *end the following new subsection:*

17 “(c) *SUPPLEMENTAL FUNDS FOR COMMISSARY OPER-*
18 *ATIONS.*—*Amounts appropriated to cover the expenses of*
19 *operating the Defense Commissary Agency and the defense*
20 *commissary system may be supplemented with additional*
21 *funds from manufacturers’ coupon redemption fees, han-*
22 *dling fees for tobacco products, and other amounts received*
23 *as reimbursement for other support activities provided by*
24 *commissary activities.”.*

1 (c) *EFFECTIVE DATE.*—*The amendments made by this*
2 *section shall take effect on October 1, 2003.*

3 **SEC. 655. RECOVERY OF NONAPPROPRIATED FUND INSTRU-**
4 **MENTALITY AND COMMISSARY STORE IN-**
5 **VESTMENTS IN REAL PROPERTY AT MILITARY**
6 **INSTALLATIONS CLOSED OR REALIGNED.**

7 (a) *1988 LAW.*—*Section 204(b)(7)(C)(i) of the Defense*
8 *Authorization Amendments and Base Closure and Realign-*
9 *ment Act (Public Law 100–526; 10 U.S.C. 2687 note) is*
10 *amended in the second sentence by striking “The Secretary*
11 *may use amounts in the account (in such an aggregate*
12 *amount as is provided in advance in appropriation Acts)”*
13 *and inserting “Amounts in the account shall be available*
14 *to the Secretary, without appropriation and until ex-*
15 *pended,”.*

16 (b) *1990 LAW.*—*Section 2906(d)(3) of the Defense Base*
17 *Closure and Realignment Act of 1990 (part A of title XXIX*
18 *of Public Law 101–510; 10 U.S.C. 2687 note) is amended*
19 *by striking “The Secretary may use amounts in the account*
20 *(in such an aggregate amount as is provided in advance*
21 *in appropriation Acts)” and inserting “Amounts in the ac-*
22 *count shall be available to the Secretary, without appro-*
23 *priation and until expended,”.*

1 **SEC. 656. COMMISSARY SHELF-STOCKING PILOT PROGRAM.**

2 (a) *PILOT PROGRAM AUTHORITY.*—Subject to sub-
3 section (c), the Secretary of Defense may conduct a pilot
4 program under which the stocking of shelves at three defense
5 commissary stores operated by the Defense Commissary
6 Agency shall be the sole responsibility of Federal employees
7 of the Agency or employees contracted by the agency.

8 (b) *IMPLEMENTATION PLAN.*—(1) The Secretary of De-
9 fense shall submit to the Committee on Armed Services of
10 the Senate and the Committee on Armed Services of the
11 House of Representatives a plan for the conduct of the pilot
12 program. The plan shall be submitted not later than six
13 months after the date of the enactment of this Act.

14 (2) The plan shall include the following:

15 (A) *The financial structure of the pilot program*
16 *and expected costs.*

17 (B) *The Secretary's request to the Office of Per-*
18 *sonnel Management to conduct the pilot program as*
19 *a Federal civilian personnel demonstration project*
20 *under chapter 47 of title 5, United States Code, or a*
21 *plan to provide otherwise a sufficiently flexible Fed-*
22 *eral civilian workforce for the pilot program through*
23 *another authority.*

24 (C) *Specification of the three sites for the*
25 *conduct of the pilot program and the criteria*
26 *used to select those sites.*

1 (D) *Proposed duration of the pilot program*
2 *and the expected timing for providing to Con-*
3 *gress the results of the pilot program and rec-*
4 *ommendations of the Secretary.*

5 (E) *Other observations and recommenda-*
6 *tions of the Secretary.*

7 (c) *IMPLEMENTATION.—The Secretary of Defense may*
8 *not begin to conduct the pilot program until a period of*
9 *30 days has elapsed after the date of the submission of the*
10 *plan for the pilot program under subsection (b).*

11 ***Subtitle F—Other Matters***

12 ***SEC. 661. REPEAL OF CONGRESSIONAL NOTIFICATION RE-***
13 ***QUIREMENT FOR DESIGNATION OF CRITICAL***
14 ***MILITARY SKILLS FOR RETENTION BONUS.***

15 *Section 323(b) of title 37, United States Code, is*
16 *amended—*

17 (1) *by striking “(1)”;* and

18 (2) *by striking paragraph (2).*

1 **TITLE VII—HEALTH CARE**
2 **PROVISIONS**

3 **SEC. 701. REVISION OF DEPARTMENT OF DEFENSE MEDI-**
4 **CARE-ELIGIBLE RETIREE HEALTH CARE FUND**
5 **TO PERMIT MORE ACCURATE ACTUARIAL**
6 **VALUATIONS.**

7 *Section 1115(c) of title 10, United States Code, is*
8 *amended by adding at the end of paragraph (1) the fol-*
9 *lowing: “In determining single level dollar amounts under*
10 *subparagraphs (A) and (B) of this paragraph, the Secretary*
11 *of Defense may determine a separate single level dollar*
12 *amount under either or both subparagraphs for any partici-*
13 *pating uniformed service, if, in the judgment of the Sec-*
14 *retary, such a determination would produce a more accu-*
15 *rate and appropriate actuarial valuation for that uni-*
16 *formed service.”.*

17 **SEC. 702. TRANSFER OF CERTAIN MEMBERS FROM PHAR-**
18 **MACY AND THERAPEUTICS COMMITTEE TO**
19 **UNIFORM FORMULARY BENEFICIARY ADVI-**
20 **SORY PANEL UNDER THE PHARMACY BENE-**
21 **FITS PROGRAM.**

22 *Section 1074g of title 10, United States Code, is*
23 *amended—*

1 (1) *in subsection (b)(1) in the second sentence, by*
2 *striking “facilities,” and all that follows through the*
3 *end of the sentence and inserting “facilities and rep-*
4 *resentatives of providers in facilities of the uniformed*
5 *services.”; and*

6 (2) *in subsection (c)(2)—*

7 (A) *by striking “represent nongovern-*
8 *mental” and inserting the following: “rep-*
9 *resent—*

10 *“(A) nongovernmental”;*

11 (B) *by striking the period at the end and*
12 *inserting a semicolon; and*

13 (C) *by adding at the end the following new*
14 *subparagraphs:*

15 *“(B) contractors responsible for the TRICARE*
16 *retail pharmacy program;*

17 *“(C) contractors responsible for the national*
18 *mail-order pharmacy program; and*

19 *“(D) TRICARE network providers.”.*

1 **SEC. 703. PERMANENT EXTENSION OF AUTHORITY TO**
2 **ENTER INTO PERSONAL SERVICES CON-**
3 **TRACTS FOR THE PERFORMANCE OF HEALTH**
4 **CARE RESPONSIBILITIES AT LOCATIONS**
5 **OTHER THAN MILITARY MEDICAL TREAT-**
6 **MENT FACILITIES.**

7 *Section 1091(a)(2) of title 10, United States Code, is*
8 *amended by striking “The Secretary may not enter into a*
9 *contract under this paragraph after December 31, 2003.”.*

10 **SEC. 704. PLAN FOR PROVIDING HEALTH COVERAGE INFOR-**
11 **MATION TO MEMBERS, FORMER MEMBERS,**
12 **AND DEPENDENTS ELIGIBLE FOR CERTAIN**
13 **HEALTH BENEFITS.**

14 *(a) HEALTH INFORMATION PLAN REQUIRED.—The*
15 *Secretary of Defense shall develop a plan to—*

16 *(1) ensure that each household that includes one*
17 *or more eligible persons is provided information con-*
18 *cerning—*

19 *(A) the extent of health coverage provided*
20 *by sections 1079 or 1086 of title 10, United*
21 *States Code, for each such person;*

22 *(B) the costs, including the limits on such*
23 *costs, that each such person is required to pay*
24 *for such health coverage;*

1 (C) sources of information for locating
2 TRICARE-authorized providers in the house-
3 hold's locality; and

4 (D) methods to obtain assistance in resolv-
5 ing difficulties encountered with billing, pay-
6 ments, eligibility, locating TRICARE-authorized
7 providers, collection actions, and such other
8 issues as the Secretary considers appropriate;

9 (2) provide mechanisms to ensure that each eligi-
10 ble person has access to information identifying
11 TRICARE-authorized providers in the person's local-
12 ity who have agreed to accept new patients under sec-
13 tion 1079 or 1086 of title 10, United States Code, and
14 to ensure that such information is periodically up-
15 dated;

16 (3) provide mechanisms to ensure that each eligi-
17 ble person who requests assistance in locating a
18 TRICARE-authorized provider is provided such as-
19 sistance;

20 (4) provide information and recruitment mate-
21 rials and programs aimed at attracting participation
22 of health care providers as necessary to meet health
23 care access requirements for all eligible persons; and

24 (5) provide mechanisms to allow for the periodic
25 identification by the Department of Defense of the

1 *number and locality of eligible persons who may in-*
2 *tend to rely on TRICARE-authorized providers for*
3 *health care services.*

4 *(b) IMPLEMENTATION OF PLAN.—The Secretary of De-*
5 *fense shall implement the plan required by subsection (a)*
6 *with respect to any contract entered into by the Department*
7 *of Defense after May 31, 2003, for managed health care.*

8 *(c) DEFINITIONS.—In this section:*

9 *(1) The term “eligible person” means a person*
10 *eligible for health benefits under section 1079 or 1086*
11 *of title 10, United States Code.*

12 *(2) The term “TRICARE-authorized provider”*
13 *means a facility, doctor, or other provider of health*
14 *care services—*

15 *(A) that meets the licensing and*
16 *credentialing certification requirements in the*
17 *State where the services are rendered;*

18 *(B) that meets requirements under regula-*
19 *tions relating to TRICARE for the type of health*
20 *care services rendered; and*

21 *(C) that has accepted reimbursement by the*
22 *Secretary of Defense as payment for services ren-*
23 *dered during the 12-month period preceding the*
24 *date of the most recently updated provider infor-*

1 *mation provided to households under the plan re-*
2 *quired by subsection (a).*

3 *(d) SUBMISSION OF PLAN.—Not later than March 31,*
4 *2004, the Secretary shall submit to the Committees on*
5 *Armed Services of the Senate and House of Representatives*
6 *the plan required by subsection (a), together with a schedule*
7 *for implementation of the plan.*

8 **SEC. 705. WORKING GROUP ON MILITARY HEALTH CARE**
9 **FOR PERSONS RELIANT ON HEALTH CARE FA-**
10 **CILITIES AT MILITARY INSTALLATIONS TO BE**
11 **CLOSED OR REALIGNED.**

12 *Section 722 of the National Defense Authorization Act*
13 *for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 1073*
14 *note) is amended by striking subsections (a), (b), (c), and*
15 *(d) and inserting the following new subsections:*

16 *“(a) ESTABLISHMENT.—Not later than December 31,*
17 *2003, the Secretary of Defense shall establish a working*
18 *group on the provision of military health care to persons*
19 *who rely for health care on health care facilities located at*
20 *military installations—*

21 *“(1) inside the United States that are selected for*
22 *closure or realignment in the 2005 round of realign-*
23 *ments and closures authorized by sections 2912, 2913,*
24 *and 2914 of the Defense Base Closure and Realign-*
25 *ment Act of 1990 (part A of title XXIX of Public Law*

1 101–510; 10 U.S.C. 2687 note), as added by title
2 XXX of the National Defense Authorization Act for
3 Fiscal Year 2002 (Public Law 107–107; 155 Stat.
4 1342); or

5 “(2) outside the United States that are selected
6 for closure or realignment as a result of force posture
7 changes.

8 “(b) MEMBERSHIP.—The members of the working
9 group shall include, at a minimum, the following:

10 “(1) The Assistant Secretary of Defense of
11 Health Affairs, or the designee of the Assistant Sec-
12 retary.

13 “(2) The Surgeon General of the Army, or the
14 designee of that Surgeon General.

15 “(3) The Surgeon General of the Navy, or the
16 designee of that Surgeon General.

17 “(4) The Surgeon General of the Air Force, or
18 the designee of that Surgeon General.

19 “(5) At least one independent member from each
20 TRICARE region, but not to exceed a total of 12
21 members appointed under this paragraph, whose ex-
22 perience in matters within the responsibility of the
23 working group qualify that person to represent per-
24 sons authorized health care under chapter 55 of title
25 10, United States Code.

1 “(c) *DUTIES.*—(1) *In developing the selection criteria*
2 *and recommendations for the 2005 round of realignments*
3 *and closures required by sections 2913 and 2914 of the De-*
4 *fense Base Closure and Realignment Act of 1990, the Sec-*
5 *retary of Defense shall consult with the working group.*

6 “(2) *The working group shall be available to provide*
7 *assistance to the Defense Base Closure and Realignment*
8 *Commission.*

9 “(3) *In the case of each military installation referred*
10 *to in paragraph (1) or (2) of subsection (a) whose closure*
11 *or realignment will affect the accessibility to health care*
12 *services for persons entitled to such services under chapter*
13 *55 of title 10, United States Code, the working group shall*
14 *provide to the Secretary of Defense a plan for the provision*
15 *of the health care services to such persons.*

16 “(d) *SPECIAL CONSIDERATIONS.*—*In carrying out its*
17 *duties under subsection (c), the working group—*

18 “(1) *shall conduct meetings with persons entitled*
19 *to health care services under chapter 55 of title 10,*
20 *United States Code, or representatives of such per-*
21 *sons;*

22 “(2) *may use reliable sampling techniques;*

23 “(3) *may visit the areas where closures or re-*
24 *alignments of military installations will adversely af-*

1 *fect the accessibility of health care for such persons*
2 *and may conduct public meetings; and*

3 *“(4) shall ensure that members of the uniformed*
4 *services on active duty, members and former members*
5 *of the uniformed services entitled to retired or re-*
6 *tainer pay, and dependents and survivors of such*
7 *members and retired personnel are afforded the oppor-*
8 *tunity to express their views.”.*

9 **SEC. 706. ACCELERATION OF IMPLEMENTATION OF CHIRO-**
10 **PRACTIC HEALTH CARE FOR MEMBERS ON**
11 **ACTIVE DUTY.**

12 *The Secretary of Defense shall accelerate the implemen-*
13 *tation of the plan required by section 702 of the Floyd D.*
14 *Spence National Defense Authorization Act for Fiscal Year*
15 *2001 (Public Law 106–398) (relating to chiropractic health*
16 *care services and benefits), with a goal of completing imple-*
17 *mentation of the plan by October 1, 2005.*

18 **SEC. 707. MEDICAL AND DENTAL SCREENING FOR MEMBERS**
19 **OF SELECTED RESERVE UNITS ALERTED FOR**
20 **MOBILIZATION.**

21 *Section 1074a of title 10, United States Code, is*
22 *amended by adding at the end the following new subsection:*

23 *“(f)(1) The Department of Defense may provide med-*
24 *ical and dental screening and care to members of the Se-*
25 *lected Reserve who are assigned to a unit that has been*

1 *alerted that the unit will be mobilized for active duty in*
2 *support of an operational mission or contingency operation,*
3 *during a national emergency, or in a time of war.*

4 “(2) *The medical and dental screening and care that*
5 *may be provided under this subsection is screening and care*
6 *necessary to ensure that a member meets the medical and*
7 *dental standards for required deployment.*

8 “(3) *The services provided under this subsection shall*
9 *be provided to a member at no cost to the member and at*
10 *any time after the unit to which the member is assigned*
11 *is alerted or otherwise notified that the unit will be mobi-*
12 *lized.”.*

13 ***TITLE VIII—ACQUISITION POL-***
14 ***ICY, ACQUISITION MANAGE-***
15 ***MENT, AND RELATED MAT-***
16 ***TERS***

17 ***Subtitle A—Amendments to General***
18 ***Contracting Authorities, Proce-***
19 ***dures, and Limitations***

20 ***SEC. 801. EXTENSION OF AUTHORITY TO CARRY OUT CER-***
21 ***TAIN PROTOTYPE PROJECTS.***

22 *Section 845 of the National Defense Authorization Act*
23 *for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 2371*
24 *note) is amended in subsection (g) by striking “September*
25 *30, 2004” and inserting “September 30, 2008”.*

1 **SEC. 802. ELIMINATION OF CERTAIN SUBCONTRACT NOTIFI-**
2 **CATION REQUIREMENTS.**

3 *Subsection (e) of section 2306 of title 10, United States*
4 *Code, is amended—*

5 *(1) by striking “(A)” and “(B)” and inserting*
6 *“(i)” and “(ii)”, respectively;*

7 *(2) by redesignating paragraphs (1) and (2) as*
8 *subparagraphs (A) and (B), respectively,*

9 *(3) by striking “Each” and inserting “(1) Ex-*
10 *cept as provided in paragraph (2), each”; and*

11 *(4) by adding at the end the following new para-*
12 *graph:*

13 *“(2) Paragraph (1) shall not apply to a prime contract*
14 *with a contractor that maintains a purchasing system ap-*
15 *proved by the contracting officer for the contract.”.*

16 **SEC. 803. ELIMINATION OF REQUIREMENT TO FURNISH**
17 **WRITTEN ASSURANCES OF TECHNICAL DATA**
18 **CONFORMITY.**

19 *Section 2320(b) of title 10, United States Code, is*
20 *amended—*

21 *(1) by striking paragraph (7); and*

22 *(2) by redesignating paragraphs (8) and (9) as*
23 *paragraphs (7) and (8), respectively.*

1 **SEC. 804. LIMITATION PERIOD FOR TASK AND DELIVERY**
2 **ORDER CONTRACTS.**

3 (a) *IN GENERAL.*—Chapter 137 of title 10, United
4 States Code, is amended—

5 (1) *in section 2304a—*

6 (A) *in subsection (e)—*

7 (i) *by inserting “(1)” before “A task”;*

8 *and*

9 (ii) *by adding at the end the following*
10 *new paragraphs:*

11 “(2) *Unless use of procedures other than competitive*
12 *procedures is authorized by an exception in subsection (c)*
13 *of section 2304 of this title and approved in accordance*
14 *with subsection (f) of such section, competitive procedures*
15 *shall be used for making such a modification.*

16 “(3) *Notice regarding the modification shall be pro-*
17 *vided in accordance with section 18 of the Office of Federal*
18 *Procurement Policy Act (41 U.S.C. 416) and section 8(e)*
19 *of the Small Business Act (15 U.S.C. 637(e)).”;* and

20 (B) *by striking subsection (f) and inserting*
21 *the following:*

22 “(f) *LIMITATION ON CONTRACT PERIOD.*—*The base pe-*
23 *riod of a task order contract or delivery order contract en-*
24 *tered into under this section may not exceed five years un-*
25 *less a longer period is specifically authorized in a law that*
26 *is applicable to such contract. The contract may be extended*

1 *for an additional 5 years (for a total contract period of*
2 *not more than 10 years) through modifications, options, or*
3 *otherwise.”; and*

4 *(2) in section 2304b—*

5 *(A) by striking subsection (a) and inserting*
6 *the following:*

7 *“(a) IN GENERAL.—A task order contract (as defined*
8 *in section 2304d of this title) for procurement of advisory*
9 *and assistance services shall be subject to the requirements*
10 *of this section, sections 2304a and 2304c of this title, and*
11 *other applicable provisions of law.”;*

12 *(B) by striking subsections (b), (f), and (g)*
13 *and redesignating subsections (c), (d), (e), (h),*
14 *and (i) as subsections (b) through (f);*

15 *(C) by amending subsection (c) (as redesign-*
16 *ated by subparagraph (B)) to read as follows:*

17 *“(c) REQUIRED CONTENT OF CONTRACT.—A task*
18 *order contract described in subsection (a) shall contain the*
19 *same information that is required by section 2304a(b) to*
20 *be included in the solicitation of offers for that contract.”;*
21 *and*

22 *(D) in subsection (d) (as redesignated by*
23 *subparagraph (B))—*

1 (i) in paragraph (1), by striking
2 “under this section” and inserting “de-
3 scribed in subsection (a)”; and

4 (ii) in paragraph (2), by striking
5 “under this section”.

6 (b) *REPEALS*.—(1) Subsection (g) of section 2306c of
7 title 10, United States Code, is repealed.

8 (2) Subsection (c) of section 811 of the Bob Stump Na-
9 tional Defense Authorization Act for Fiscal Year 2003 (Pub-
10 lic Law 107–314; 116 Stat. 2608) is repealed.

11 **SEC. 805. ADDITIONAL AUTHORITIES RELATING TO OBTAIN-**
12 **ING PERSONAL SERVICES.**

13 (a) *IN GENERAL*.—Section 129b of title 10, United
14 States Code, is amended—

15 (1) in subsection (a)(1), by striking “in accord-
16 ance with section 3109 of title 5”; and

17 (2) by adding at the end the following new sub-
18 section:

19 “(d) *ADDITIONAL AUTHORITY*.—(1) In addition to the
20 authority provided under subsection (a), the Secretary of
21 Defense may enter into personal services contracts with in-
22 dividuals, regardless of their nationality, outside of the
23 United States.

24 “(2) The contracting officer for a personal services con-
25 tract shall be responsible for ensuring that a personal serv-

1 (c) *SPECIAL OPERATIONS COMMAND*.—Section 167 of
2 title 10, United States Code, is amended by adding at the
3 end the following new subsection:

4 “(1) *PERSONAL SERVICES CONTRACTS*.—(1) The Sec-
5 retary of Defense may, notwithstanding section 3109 of title
6 5, enter into personal services contracts in the United States
7 if the personal services directly support the mission of the
8 special operations command.

9 “(2) The contracting officer for a personal services con-
10 tract shall be responsible for ensuring that a personal serv-
11 ices contract is the appropriate vehicle for carrying out the
12 purpose of the contract.”.

13 **SEC. 806. EVALUATION OF PROMPT PAYMENT PROVISIONS.**

14 (a) *EVALUATION REQUIREMENT*.—The Secretary of
15 Defense shall evaluate provisions of law and regulation re-
16 lating to the prompt payment of amounts due contractors
17 under contracts with the Department of Defense.

18 (b) *MATTERS COVERED*.—In carrying out such evalua-
19 tion, the Secretary shall focus in particular on the imple-
20 mentation of prompt payment provisions with respect to
21 small businesses, including—

22 (1) an analysis of compliance by the Department
23 of Defense with chapter 39 of title 31, United States
24 Code, and regulations applicable to the Department of

1 *Defense under that chapter, with respect to small*
2 *business contractors;*

3 (2) *a determination of the number of Depart-*
4 *ment of Defense contracts with small businesses that*
5 *are not in compliance with prompt payment require-*
6 *ments; and*

7 (3) *a determination of the average length of time*
8 *that elapses between performance of work by small*
9 *business contractors under Department of Defense*
10 *contracts and payment for such work.*

11 ***Subtitle B—United States Defense***
12 ***Industrial Base Provisions***

13 ***Part I—Critical Items Identification and Domestic***
14 ***Production Capabilities Improvement Program***

15 ***SEC. 811. ASSESSMENT OF UNITED STATES DEFENSE IN-***
16 ***DUSTRIAL BASE CAPABILITIES.***

17 (a) *ASSESSMENT PROGRAM.*—*The Secretary of De-*
18 *fense, in coordination with the Secretary of each military*
19 *department, shall establish a program to assess the capabili-*
20 *ties of the United States defense industrial base to produce*
21 *military systems necessary to support national security re-*
22 *quirements.*

23 (b) *DESIGNEE.*—*The Secretary of each military de-*
24 *partment shall designate a position to be responsible for as-*
25 *sisting in carrying out the program under subsection (a)*

1 *with respect to the military department concerned. The per-*
2 *son designated to serve in such position shall do the fol-*
3 *lowing:*

4 (1) *Report to the Service Acquisition Executive*
5 *of the military department concerned on defense in-*
6 *dustrial base matters affecting the acquisition and*
7 *production of military systems.*

8 (2) *Provide information to assist the Secretary of*
9 *Defense in carrying out the Secretary's duties as a*
10 *member of the National Defense Technology and In-*
11 *dustrial Base Council (as established under section*
12 *2502 of title 10, United States Code).*

13 (3) *Oversee the collection of data to assist the*
14 *Secretary of Defense in carrying out subsection (c).*

15 (4) *Oversee the process for identifying and deter-*
16 *mining critical items to assist the Secretary of De-*
17 *fense in carrying out section 812.*

18 (c) *COLLECTION OF DATA.—The Secretary of Defense*
19 *shall collect data in support of the program. At a min-*
20 *imum, with respect to each procurement for a covered mili-*
21 *tary system, the following information shall be collected:*

22 (1) *With respect to the contractor awarded the*
23 *contract:*

24 (A) *An identification of the critical item or*
25 *items included in the covered military system*

1 *and whether the item is of a domestic or foreign*
2 *source.*

3 *(B) Whether the contractor is a foreign con-*
4 *tractor, and, if so—*

5 *(i) whether the contract was awarded*
6 *on a sole source basis because of the un-*
7 *availability of responsible offerors with*
8 *United States production capabilities; or*

9 *(ii) whether the contract was awarded*
10 *after receipt of offers from responsible*
11 *offerors with United States production ca-*
12 *pabilities.*

13 *(C) Whether the contractor is a United*
14 *States contractor, and, if the contractor plans to*
15 *perform work under the contract outside the*
16 *United States, an identification of the locations*
17 *where the work (including research, development,*
18 *and manufacturing) will be performed.*

19 *(2) With respect to the offerors submitting bids*
20 *or proposals (other than the offeror awarded the con-*
21 *tract):*

22 *(A) An identification of the critical item or*
23 *items included in the covered military system*
24 *and whether the item is of a domestic or foreign*
25 *source.*

1 (B) *An identification of the domestic and*
2 *foreign offerors and the locations where the work*
3 *(including research, development, and manufac-*
4 *turing) was proposed to be performed under the*
5 *contract.*

6 (C) *A statement of whether there were no*
7 *offerors or whether there was only one offeror.*

8 (d) *CONFIDENTIALITY.—The Secretary of Defense shall*
9 *make every effort to ensure that the information collected*
10 *under this section from private sector entities remains con-*
11 *fidential.*

12 (e) *ASSESSMENT.—The Secretary of Defense shall pre-*
13 *pare an assessment of the data compiled under this section*
14 *during every two-year period and shall submit the results*
15 *of the assessment to the Committees on Armed Services of*
16 *the Senate and the House of Representatives. The first such*
17 *assessment shall cover the period of fiscal Year 2002 and*
18 *fiscal Year 2003 and shall be submitted to the Committees*
19 *no later than November 1, 2004.*

20 **SEC. 812. IDENTIFICATION OF CRITICAL ITEMS: MILITARY**
21 **SYSTEM BREAKOUT LIST.**

22 (a) *IDENTIFICATION PROCESS.—The Secretary of De-*
23 *fense shall establish a process to identify, with respect to*
24 *each military system—*

1 (1) *the items and components within the mili-*
2 *tary system;*

3 (2) *the items and components within the mili-*
4 *tary system that are essential, in accordance with*
5 *subsection (c); and*

6 (3) *the items and components within the mili-*
7 *tary system that are critical, in accordance with sub-*
8 *section (d).*

9 (b) *MILITARY SYSTEM BREAKOUT LIST.*—*The Sec-*
10 *retary of Defense shall produce a list, to be known as the*
11 *“military system breakout list”, consisting of the items and*
12 *components identified under the process established under*
13 *subsection (a).*

14 (c) *ESSENTIAL ITEMS AND COMPONENTS.*—*For pur-*
15 *poses of determining whether an item or component is es-*
16 *sential, the Secretary shall include only an item or compo-*
17 *nent that—*

18 (1) *is essential for the proper functioning and*
19 *performance of the military system of which the item*
20 *or component is a part; or*

21 (2) *involves a critical technology (as defined in*
22 *section 2500 of title 10, United States Code).*

23 (d) *CRITICAL ITEMS OR COMPONENTS.*—(1) *For pur-*
24 *poses of determining whether an item or component is crit-*

1 ical, the Secretary shall include only an item or component
2 that—

3 (A) is essential, as determined under subsection
4 (c); and

5 (B) with respect to which there is a high barrier
6 to entry for the production of the item or component.

7 (2) For purposes of paragraph (1)(B), a high barrier
8 to entry for the production of an item or component means
9 that—

10 (A) there would be a significant period of time
11 required to reestablish United States production capa-
12 bilities; and

13 (B) the level of investment necessary to reestab-
14 lish United States production capabilities that are
15 able to meet surge and sustained production rates for
16 wartime requirements is significant.

17 (e) REPORT.—Not later than November 1 of each year,
18 beginning with November 1, 2004, the Secretary of Defense
19 shall submit to the Committees on Armed Services of the
20 Senate and the House of Representatives a report on the
21 implementation of this section. The report shall include the
22 following:

23 (1) A list of each military system covered by the
24 process established under subsection (a).

1 (2) *A list of items and components determined to*
2 *be essential.*

3 (3) *A list of items and components determined to*
4 *be critical.*

5 (4) *A list of the items and components contained*
6 *in the lists provided under paragraphs (2) and (3)*
7 *that are manufactured or produced outside the United*
8 *States.*

9 **SEC. 813. PROCUREMENT OF CERTAIN CRITICAL ITEMS**
10 **FROM AMERICAN SOURCES.**

11 (a) *REQUIREMENT FOR PROCUREMENT OF CERTAIN*
12 *CRITICAL ITEMS PRODUCED IN UNITED STATES.*—*With re-*
13 *spect to items that meet the criteria set forth in subsection*
14 *(b), the Secretary of Defense may procure such items only*
15 *if the items are entirely produced in the United States.*

16 (b) *CRITERIA.*—*For purposes of subsection (a), an*
17 *item meets the criteria of this subsection if—*

18 (1) *it is a critical item; and*

19 (2) *there are limited sources of production capa-*
20 *bility of the item in the United States.*

21 (c) *EXCEPTION.*—*Subsection (a) does not apply to a*
22 *procurement of an item when the Secretary of Defense deter-*
23 *mines in writing that the Department of Defense's need for*
24 *the item is of such an unusual and compelling urgency that*
25 *the United States would be seriously injured unless the De-*

1 *partment is permitted to procure the item from sources out-*
2 *side the United States.*

3 *(d) APPLICABILITY.—Subsection (a) shall apply to*
4 *contracts for the procurement of covered military systems*
5 *and subcontracts under such contracts.*

6 ***SEC. 814. PRODUCTION CAPABILITIES IMPROVEMENT FOR***
7 ***CERTAIN CRITICAL ITEMS USING DEFENSE***
8 ***INDUSTRIAL BASE CAPABILITIES FUND.***

9 *(a) ESTABLISHMENT OF FUND.—There is established*
10 *in the Treasury of the United States a separate fund to*
11 *be known as the Defense Industrial Base Capabilities Fund*
12 *(hereafter in this section referred to as the ‘Fund’).*

13 *(b) MONEYS IN FUND.—There shall be credited to the*
14 *Fund amounts appropriated to it.*

15 *(c) AUTHORIZATION OF APPROPRIATIONS.—There is*
16 *authorized to be appropriated to the Fund \$100,000,000 for*
17 *fiscal year 2004.*

18 *(d) USE OF FUND.—The Secretary of Defense is au-*
19 *thorized to use all amounts in the Fund, subject to appro-*
20 *priation, for the purposes of establishing capabilities within*
21 *the United States to produce critical items that meet any*
22 *of the following criteria:*

23 *(1) The item is available only from foreign con-*
24 *tractors.*

1 (2) *The item is available only from a limited*
2 *number of United States contractors.*

3 (e) *LIMITATION ON USE OF FUND.—Before the obliga-*
4 *tion of any amounts in the Fund, the Secretary of Defense*
5 *shall submit to Congress a report describing the Secretary’s*
6 *plans for implementing the Fund established in subsection*
7 *(a), including the priorities for the obligation of amounts*
8 *in the Fund, the criteria for determining the recipients of*
9 *such amounts, and the mechanisms through which such*
10 *amounts may be provided to the recipients.*

11 (f) *AVAILABILITY OF FUNDS.—Amounts in the Fund*
12 *shall remain available until expended.*

13 (g) *FUND MANAGER.—The Secretary of Defense shall*
14 *designate a Fund manager. The duties of the Fund manager*
15 *shall include—*

16 (1) *ensuring the visibility and accountability of*
17 *transactions engaged in through the Fund; and*

18 (2) *reporting to Congress each year regarding ac-*
19 *tivities of the Fund during the previous fiscal year.*

20 ***Part II—Requirements Relating to Specific Items***

21 ***SEC. 821. DOMESTIC SOURCE LIMITATION AMENDMENTS.***

22 (a) *ADDITIONAL ITEMS.—Section 2534(a) of title 10,*
23 *United States Code, is amended by adding at the end of*
24 *the following new paragraphs:*

25 “(6) *Fuzes used for ordnance.*

1 “(7) *Microwave power tubes or traveling wave*
2 *tubes.*

3 “(8) *PAN carbon fiber.*

4 “(9) *Aircraft tires.*

5 “(10) *Ground vehicle tires.*

6 “(11) *Tank track assemblies.*

7 “(12) *Tank track components.*

8 “(13) *Packaging in direct contact with meals*
9 *within meals ready-to-eat listed in Federal Supply*
10 *Class 8970.”.*

11 **(b) AMENDMENT OF NATIONAL TECHNOLOGY AND IN-**
12 **DUSTRIAL BASE.—***Paragraph (1) of section 2500 of title*
13 *10, United States Code, is amended—*

14 *(1) by striking all that follows after “States” to*
15 *the end of the paragraph and inserting a period; and*

16 *(2) by striking “production, or maintenance”*
17 *and inserting “production, and maintenance”.*

18 **(c) AMENDMENT OF WAIVER AUTHORITY.—***Section*
19 *2534(d) of title 10, United States Code, is amended—*

20 *(1) in the text before paragraph (1), by inserting*
21 *“in writing” after “determines”;*

22 *(2) by striking paragraphs (1), (2), (3), (6), (7),*
23 *and (8);*

24 *(3) by redesignating paragraphs (4) and (5) as*
25 *paragraphs (2) and (3), respectively, and in such*

1 paragraph (3), as so redesignated, by adding at the
2 end the following: “This exception shall not apply to
3 items determined to be critical by the Secretary of De-
4 fense under section 812 of the National Defense Au-
5 thorization Act for Fiscal Year 2004.”; and

6 (4) by inserting before paragraph (2), as so re-
7 designated, the following new paragraph (1):

8 “(1) The Department of Defense’s need for the
9 item is of such an unusual and compelling urgency
10 that the United States would be seriously injured un-
11 less the Department is permitted to procure the item
12 from sources outside the United States.”.

13 **SEC. 822. REQUIREMENTS RELATING TO BUYING COMMER-**
14 **CIAL ITEMS CONTAINING SPECIALTY METALS**
15 **FROM AMERICAN SOURCES.**

16 (a) **SPECIALTY METALS AND OTHER INDUSTRIAL**
17 **BASE PROTECTION MEASURES.**—(1) Subsection (b) of sec-
18 tion 2533a of title 10, United States Code, is amended—

19 (A) in paragraph (1)(B), by inserting before the
20 semicolon the following: “and the materials and com-
21 ponents thereof”; and

22 (B) in paragraph (2), by inserting before the pe-
23 riod the following: “ and any specialty metal that
24 may be part of another item”.

25 (2) Subsection (c) is amended—

1 (A) by striking “or the Secretary of the military
2 department concerned”; and

3 (B) by adding at the end the following: “For
4 each such determination, the Secretary of Defense
5 shall notify Congress in writing of the factors sup-
6 porting the determination.”.

7 (3) Section 2533a of such title is amended by adding
8 at the end the following new subsection:

9 “(l) *AUTHORITY NOT DELEGABLE.*—The Secretary
10 may not delegate any authority under this section to any-
11 one other than the Under Secretary of Defense for Acquisi-
12 tion, Technology, and Logistics.”.

13 (b) *EXCEPTION TO BERRY AMENDMENT FOR COMMER-*
14 *CIAL ITEMS CONTAINING SPECIALTY METALS.*—Section
15 2533a of title 10, United States Code, is amended—

16 (1) by redesignating subsections (i) and (j) as
17 subsections (j) and (k), respectively; and

18 (2) by inserting after subsection (h) the following
19 new subsection:

20 “(i) *EXCEPTION FOR COMMERCIAL ITEMS CONTAINING*
21 *SPECIALTY METALS.*—

22 “(1) *IN GENERAL.*—Subsection (a) does not
23 apply to the procurement of a commercial item con-
24 taining specialty metals if—

1 “(A) the contractor agrees to comply with
2 the requirement set forth in paragraph (2); or

3 “(B) the Secretary of Defense determines in
4 writing that the Department of Defense’s need
5 for the commercial item containing specialty
6 metal is of such an unusual and compelling ur-
7 gency that the United States would be seriously
8 injured unless the Department is permitted to
9 procure the item containing specialty metal from
10 outside the United States.

11 “(2) *REQUIREMENT TO PURCHASE EQUIVALENT*
12 *AMOUNT OF DOMESTIC METAL.*—For purposes of
13 paragraph (1)(A), the requirement set forth in this
14 paragraph is that the contractor for each contract en-
15 tered into by the Secretary for the procurement of a
16 commercial item containing specialty metal agrees to
17 purchase, over the 18-month period beginning on the
18 date of award of the contract, an amount of specialty
19 metal that is—

20 “(A) produced, including such functions as
21 melting and smelting, in the United States; and

22 “(B) equivalent to—

23 “(i) the amount of specialty metal
24 (measured by factors including volume,
25 type, and grade) purchased to carry out the

1 *work under the contract (including the work*
2 *under each subcontract at any tier under*
3 *the contract); plus*

4 *“(i) 10 percent of the amount referred*
5 *to in clause (i).*

6 *“(3) RELATIONSHIP TO OTHER EXCEPTIONS.—*
7 *The exceptions under subsections (c), (d), and (h) of*
8 *this section shall not apply to the procurement of a*
9 *commercial item containing specialty metals.*

10 *“(4) NOTICE TO CONGRESS.—The Secretary of*
11 *Defense shall not enter into a contract to procure a*
12 *commercial item containing specialty metal pursuant*
13 *to the exception in subsection (a) until Congress is*
14 *notified that the Secretary has applied the exception*
15 *and a period of 15 days has expired after such notifi-*
16 *cation is made.*

17 *“(5) NOTICE TO INDUSTRY.—The Secretary of*
18 *Defense shall publish a notice in the Federal Register*
19 *on the method that the Department of Defense will use*
20 *to measure an equivalent amount of specialty metal*
21 *for purposes of this subsection. Such a method shall*
22 *consider factors such as volume, type, and grade of*
23 *specialty metal that otherwise would be produced*
24 *from United States sources.”.*

1 tained in military systems if the items or components, or
2 the systems, are manufactured in any foreign country iden-
3 tified under subsection (a).

4 (c) *WAIVER AUTHORITY.*—The Secretary of Defense
5 may waive the limitation in subsection (b) if the Secretary
6 determines in writing and notifies Congress that the De-
7 partment of Defense’s need for the item is of such an un-
8 usual and compelling urgency that the United States would
9 be seriously injured unless the Department is permitted to
10 procure the item from the sources identified in subsection
11 (a).

12 (d) *EFFECTIVE DATE.*—(1) Subject to paragraph (2),
13 subsection (b) applies to contracts in existence on the date
14 of the enactment of this Act or entered into after such date.

15 (2) With respect to contracts in existence on the date
16 of the enactment of this Act, the Secretary of Defense shall
17 take such action as is necessary to ensure that such con-
18 tracts are in compliance with subsection (b) not later than
19 24 months after such date.

20 **SEC. 824. CONGRESSIONAL NOTIFICATION REQUIRED BE-**
21 **FORE EXERCISING EXCEPTION TO REQUIRE-**
22 **MENT TO BUY SPECIALTY METALS FROM**
23 **AMERICAN SOURCES.**

24 Section 2533a(c) of title 10, United States Code, is
25 amended by adding at the end the following new sentence:

1 “The Secretary of Defense or the Secretary of the military
2 department concerned may not procure specialty metals
3 pursuant to the exception authorized by this subsection
4 until the Secretary submits to Congress and publishes in
5 the Federal Register notice of the determination made under
6 this subsection and a period of 15 days expires after the
7 date such notification is submitted.”.

8 **SEC. 825. REPEAL OF AUTHORITY FOR FOREIGN PROCURE-**
9 **MENT OF PARA-ARAMID FIBERS AND YARNS.**

10 Section 807 of the Strom Thurmond National Defense
11 Authorization Act for Fiscal Year 1999 (Public Law 105–
12 261; 112 Stat. 2084) is repealed.

13 **SEC. 826. REQUIREMENT FOR MAJOR DEFENSE ACQUI-**
14 **SITION PROGRAMS TO USE MACHINE TOOLS**
15 **ENTIRELY PRODUCED WITHIN THE UNITED**
16 **STATES.**

17 (a) IN GENERAL.—(1) Chapter 144 of title 10, United
18 States Code, is amended by inserting after section 2435 the
19 end the following new section:

20 **“§ 2436. Major defense acquisition programs: require-**
21 **ment for certain items to be entirely pro-**
22 **duced in United States**

23 “The Secretary of Defense shall require that, for any
24 procurement of a major defense acquisition program—

1 (A) Weapons listed in Federal Supply
2 Group 10.

3 (B) Nuclear ordnance listed in Federal
4 Supply Group 11.

5 (C) Fire control equipment listed in Federal
6 Supply Group 12.

7 (D) Ammunition and explosives listed in
8 Federal Supply Group 13.

9 (E) Guided missiles listed in Federal Sup-
10 ply Group 14.

11 (F) Aircraft and related components, acces-
12 sories, and equipment listed in Federal Supply
13 Groups 15, 16, and 17.

14 (G) Space vehicles listed in Federal Supply
15 Group 18.

16 (H) Ships, small craft, pontoons, and float-
17 ing docks listed in Federal Supply Group 19.

18 (I) Ship and marine equipment listed in
19 Federal Supply Group 20.

20 (J) Tracked combat vehicles listed in Fed-
21 eral Supply Class 2350.

22 (K) Engines, turbines, and components list-
23 ed in Federal Supply Group 28.

1 (3) *CRITICAL ITEM.*—*The term “critical item”*
2 *means an item or component determined to be critical*
3 *by the Secretary of Defense under section 812.*

4 (4) *ITEM.*—*The term “item” means an end item.*

5 (5) *COMPONENT.*—*The term “component” means*
6 *an article, material, or supply incorporated into an*
7 *end item. The term includes software and subassem-*
8 *blies.*

9 (6) *FOREIGN CONTRACTOR.*—*The term “foreign*
10 *contractor” means a contractor or subcontractor orga-*
11 *nized or existing under the laws of a country other*
12 *than the United States.*

13 (7) *UNITED STATES CONTRACTOR.*—*The term*
14 *“United States contractor” means a contractor or*
15 *subcontractor organized or existing under the laws of*
16 *the United States.*

17 (8) *UNITED STATES PRODUCTION CAPABILI-*
18 *TIES.*—*The term “United States production capabili-*
19 *ties” means, with respect to an item or component,*
20 *facilities located in the United States to design, de-*
21 *velop, or manufacture the item or component.*

1 **TITLE IX—DEPARTMENT OF**
2 **DEFENSE ORGANIZATION**
3 **AND MANAGEMENT**

4 **SEC. 901. CHANGE IN TITLE OF SECRETARY OF THE NAVY**
5 **TO SECRETARY OF THE NAVY AND MARINE**
6 **CORPS.**

7 (a) *CHANGE IN TITLE.*—The position of the Secretary
8 of the Navy is hereby redesignated as the Secretary of the
9 Navy and Marine Corps.

10 (b) *REFERENCES.*—Any reference to the Secretary of
11 the Navy in any law, regulation, document, record, or other
12 paper of the United States shall be considered to be a ref-
13 erence to the Secretary of the Navy and Marine Corps.

14 **SEC. 902. REDESIGNATION OF NATIONAL IMAGERY AND**
15 **MAPPING AGENCY AS NATIONAL**
16 **GEOSPATIAL-INTELLIGENCE AGENCY.**

17 (a) *REDESIGNATION.*—The National Imagery and
18 Mapping Agency of the Department of Defense is hereby
19 redesignated as the National Geospatial-Intelligence Agen-
20 cy.

21 (b) *DEFINITION OF GEOSPATIAL INTELLIGENCE.*—Sec-
22 tion 467 of title 10, United States Code, is amended by add-
23 ing at the end the following new paragraph:

24 “(5) The term ‘geospatial intelligence’ means the
25 exploitation and analysis of imagery and geospatial

1 *information to describe, assess, and visually depict*
2 *physical features and geographically referenced activi-*
3 *ties on the earth. Geospatial intelligence consists of*
4 *imagery, imagery intelligence, and geospatial infor-*
5 *mation.”.*

6 *(c) AGENCY MISSIONS.—(1) Section 442(a) of title 10,*
7 *United States Code, is amended—*

8 *(A) in paragraph (1), by inserting “geospatial*
9 *intelligence consisting of” after “provide”; and*

10 *(B) in paragraph (2), by striking “Imagery,*
11 *intelligency, and information” and inserting*
12 *“Geospatial intelligence”.*

13 *(2) Section 110(a) of the National Security Act of 1947*
14 *(50 U.S.C. 404e(a)) is amended by striking “imagery” and*
15 *inserting “geospatial intelligence”.*

16 *(d) CONFORMING AMENDMENTS TO TITLE 10, UNITED*
17 *STATES CODE.—Title 10, United States Code, is amended*
18 *as follows:*

19 *(1) The heading of chapter 22 is amended to*
20 *read as follows:*

21 **“CHAPTER 22—NATIONAL GEOSPATIAL-**
22 **INTELLIGENCE AGENCY”.**

23 *(2) Chapter 22 is amended—*

24 *(A) by striking “National Imagery and*
25 *Mapping Agency” each place it appears and in-*

1 serting “National Geospatial-Intelligence Agen-
2 cy”; and

3 (B) in section 453(b), by striking “NIMA”
4 in paragraphs (1) and (2) and inserting “NGA”.

5 (3) Section 193 is amended—

6 (A) by striking “National Imagery and
7 Mapping Agency” in subsections (d)(1), (d)(2),
8 (e), and (f)(4) and inserting “National
9 Geospatial-Intelligence Agency”;

10 (B) in the heading for subsection (d), by
11 striking “NATIONAL IMAGERY AND MAPPING
12 AGENCY” and inserting “NATIONAL
13 GEOSPATIAL-INTELLIGENCE AGENCY”; and

14 (C) in the heading for subsection (e), by
15 striking “NIMA” and inserting “NGA”.

16 (4) Section 201 is amended by striking “Na-
17 tional Imagery and Mapping Agency” in subsections
18 (b)(2)(C) and (c)(2)(C) and inserting “National
19 Geospatial-Intelligence Agency”.

20 (5)(A) Section 424 is amended by striking “Na-
21 tional Imagery and Mapping Agency” in subsection
22 (b)(3) and inserting “National Geospatial-Intelligence
23 Agency”.

24 (B)(i) The heading of such section is amended to
25 read as follows:

1 **“§ 424. Disclosure of organizational and personnel in-**
2 **formation: exemption for specified intel-**
3 **ligence agencies”.**

4 (ii) *The item relating to that section in the table*
5 *of sections at the beginning of subchapter I of chapter*
6 *21 is amended to read as follows:*

“424. Disclosure of organizational and personnel information: exemption for spec-
ified intelligence agencies.”.

7 (6) *Section 425(a) is amended by adding at the*
8 *end the following new paragraph:*

9 “(5) *The words ‘National Geospatial-Intelligence*
10 *Agency’, the initials ‘NGA,’ or the seal of the National*
11 *Geospatial-Intelligence Agency.’.*”

12 (7) *Section 1614(2)(C) is amended by striking*
13 *“National Imagery and Mapping Agency” and insert-*
14 *ing “National Geospatial-Intelligence Agency”.*

15 (8) *The tables of chapters at the beginning of*
16 *subtitle A, and at the beginning of part I of subtitle*
17 *A, are each amended by striking “Imagery and Map-*
18 *ping” in the item relating to chapter 22 and insert-*
19 *ing “Geospatial-Intelligence”.*

20 (e) *CONFORMING AMENDMENTS TO NATIONAL SECU-*
21 *RITY ACT OF 1947.—The National Security Act of 1947 is*
22 *amended as follows:*

23 (1) *Section 3 (50 U.S.C. 401a) is amended by*
24 *striking “National Imagery and Mapping Agency” in*

1 paragraph (4)(E) and inserting “National
2 Geospatial- Intelligence Agency”.

3 (2) Section 105 (50 U.S.C. 403–5) is amended
4 by striking “National Imagery and Mapping Agency”
5 in subsections (b)(2) and (d) and inserting “National
6 Geospatial-Intelligence Agency”.

7 (3) Section 105A (50 U.S.C. 403–5a) is amended
8 by striking “National Imagery and Mapping Agency”
9 in subsection (b)(1)(C) and inserting “National
10 Geospatial-Intelligence Agency”.

11 (4) Section 105C (50 U.S.C. 403-5c) is amend-
12 ed—

13 (A) by striking “National Imagery and
14 Mapping Agency” each place it appears and in-
15 serting “National Geospatial-Intelligence Agen-
16 cy”;

17 (B) by striking “NIMA” each place it ap-
18 pears and inserting “NGA”; and

19 (C) by striking “NATIONAL IMAGERY AND
20 MAPPING AGENCY” in the section heading and in-
21 serting “NATIONAL GEOSPATIAL-INTELLIGENCE
22 AGENCY”.

23 (5) Section 106 (50 U.S.C. 403–6) is amended
24 by striking “National Imagery and Mapping Agency”

1 in subsection (a)(2)(C) and inserting “National
2 Geospatial-Intelligence Agency”.

3 (6) Section 110 (50 U.S.C. 404e) is amended—

4 (A) by striking “National Imagery and
5 Mapping Agency” in subsections (a), (b), and (c)
6 and inserting “National Geospatial-Intelligence
7 Agency”; and

8 (B) by striking “NATIONAL IMAGERY AND
9 MAPPING AGENCY” in the section heading and in-
10 serting “NATIONAL GEOSPATIAL-INTELLIGENCE
11 AGENCY”.

12 (7) The table of contents in the first section is
13 amended—

14 (A) by striking the item relating to section
15 105C and inserting the following:

 “Sec. 105C. Protection of operational files of National Geospatial-Intelligence
 Agency.”;

16 and

17 (B) by striking the item relating to section
18 110 and inserting the following:

 “Sec. 110. National mission of National Geospatial-Intelligence Agency.”.

19 (f) *CROSS REFERENCE CORRECTION.*—Section 442(d)
20 of title 10, United States Code, is by striking “section
21 120(a) of the National Security Act of 1947” and inserting
22 “section 110(a) of the National Security Act of 1947 (50
23 U.S.C. 404e(a))”.

1 (g) *REFERENCES.*—Any reference to the National Im-
2 agery and Mapping Agency in any law, regulation, map,
3 document, record, or other paper of the United States shall
4 be considered to be a reference to the National Geospatial-
5 Intelligence Agency.

6 **SEC. 903. PILOT PROGRAM FOR PROVISION OF SPACE SUR-**
7 **VEILLANCE NETWORK SERVICES TO NON-**
8 **UNITED STATES GOVERNMENTAL ENTITIES.**

9 (a) *IN GENERAL.*—Chapter 135 of title 10, United
10 States Code, is amended by adding at the end the following
11 new section:

12 **“§ 2272. Space surveillance network: pilot program for**
13 **provision of satellite tracking support to**
14 **entities outside United States Government**

15 “(a) *PILOT PROGRAM.*—The Secretary of Defense may
16 carry out a pilot program to determine the feasibility and
17 desirability of providing to non-United States Govern-
18 mental entities space surveillance data support described in
19 subsection (b).

20 “(b) *SPACE SURVEILLANCE DATA SUPPORT.*—Under
21 such a pilot program, the Secretary may provide to a non-
22 United States Governmental entity, subject to an agreement
23 described in subsection (c), the following:

24 “(1) Satellite tracking services from assets owned
25 or controlled by the Department of Defense, but only

1 *if the Secretary determines, in the case of any such*
2 *agreement, that providing such services to that entity*
3 *is in the national security interests of the United*
4 *States.*

5 *“(2) Space surveillance data and the analysis of*
6 *space surveillance data, but only if the Secretary de-*
7 *termines, in the case of any such agreement, that pro-*
8 *viding such data and analysis to that entity is in the*
9 *national security interests of the United States.*

10 *“(c) REQUIRED AGREEMENT.—The Secretary may not*
11 *provide space surveillance data support to a non-United*
12 *States Governmental entity under the pilot program unless*
13 *that entity enters into an agreement with the Secretary*
14 *under which the entity—*

15 *“(1) agrees to pay an amount that may be*
16 *charged by the Secretary under subsection (f); and*

17 *“(2) agrees not to transfer any data or technical*
18 *information received under the agreement, including*
19 *the analysis of tracking data, to any other entity*
20 *without the Secretary’s express approval.*

21 *“(d) REQUIREMENTS WITH RESPECT TO FOREIGN*
22 *TRANSACTIONS.—(1) The Secretary may enter into an*
23 *agreement under subsection (c) to provide space surveillance*
24 *data support to a foreign government or other foreign entity*
25 *only with the concurrence of the Secretary of State.*

1 “(2) *In the case of such an agreement that is entered*
2 *into with a foreign government or other foreign entity, the*
3 *Secretary of Defense may provide approval under sub-*
4 *section (c)(2) for a transfer of data or technical information*
5 *only with the concurrence of the Secretary of State.*

6 “(e) *PROHIBITION CONCERNING PROVISION OF INTEL-*
7 *LIGENCE ASSETS OR DATA.—Nothing in this section shall*
8 *be considered to authorize the provision of services or infor-*
9 *mation concerning, or derived from, United States intel-*
10 *ligence assets or data.*

11 “(f) *CHARGES.—As a condition of an agreement under*
12 *subsection (c), the Secretary of Defense may require the*
13 *non-United States Governmental entity entering into the*
14 *agreement to pay to the Department of Defense—*

15 “(1) *such amounts as the Secretary determines to*
16 *be necessary to reimburse the Department of Defense*
17 *for the costs to the Department of providing space*
18 *surveillance data support under the agreement; and*

19 “(2) *any other amount or fee that the Secretary*
20 *may prescribe*

21 “(g) *CREDITING OF FUNDS RECEIVED.—Funds re-*
22 *ceived pursuant to an agreement under this section shall*
23 *be credited to accounts of the Department of Defense that*
24 *are current when the proceeds are received and that are*
25 *available for the same purposes as the accounts originally*

1 *charged to perform the services. Funds so credited shall*
2 *merge with and become available for obligation for the same*
3 *period as the accounts to which they are credited.*

4 “(h) *PROCEDURES.*—*The Secretary shall establish pro-*
5 *cedures for the conduct of the pilot program. As part of those*
6 *procedures, the Secretary may allow space surveillance data*
7 *and analytical support to be provided through a contractor*
8 *of the Department of Defense.*

9 “(i) *DURATION OF PILOT PROGRAM.*—*The pilot pro-*
10 *gram under this section shall be conducted during the three-*
11 *year period beginning on a date specified by the Secretary*
12 *of Defense, which date shall be not later than 180 days after*
13 *the date of the enactment of this section.”.*

14 “(b) *CLERICAL AMENDMENT.*—*The table of sections at*
15 *the beginning of such chapter is amended by adding at the*
16 *end the following new item:*

“2272. *Space surveillance network: pilot program for provision of satellite track-*
ing services and data to entities outside United States Govern-
ment.”.

17 ***SEC. 904. CLARIFICATION OF RESPONSIBILITY OF MILITARY***
18 ***DEPARTMENTS TO SUPPORT COMBATANT***
19 ***COMMANDS.***

20 *Sections 3013(c)(4), 5013(c)(4), and 8013(c)(4) of title*
21 *10, United States Code, are each amended by striking “(to*
22 *the maximum extent practicable)”.*

1 **SEC. 905. BIENNIAL REVIEW OF NATIONAL MILITARY**
2 **STRATEGY BY CHAIRMAN OF THE JOINT**
3 **CHIEFS OF STAFF.**

4 (a) *BIENNIAL REVIEW.*—Section 153 of title 10,
5 *United States Code*, by adding at the end the following new
6 *subsection*:

7 “(d) *BIENNIAL REVIEW OF NATIONAL MILITARY*
8 *STRATEGY.*—(1) *Not later than February 15 of each even-*
9 *numbered year, the Chairman shall submit to the Com-*
10 *mittee on Armed Services of the Senate and the Committee*
11 *on Armed Services of the House of Representatives a report*
12 *containing the results of a comprehensive examination of*
13 *the national military strategy. Each such examination*
14 *shall be conducted by the Chairman in conjunction with*
15 *the other members of the Joint Chiefs of Staff and the com-*
16 *manders of the unified and specified commands.*

17 “(2) *Each report on the examination of the national*
18 *military strategy under paragraph (1) shall include the fol-*
19 *lowing*:

20 “(A) *Delineation of a national military strategy*
21 *consistent with the most recent National Security*
22 *Strategy prescribed by the President pursuant to sec-*
23 *tion 108 of the National Security Act of 1947 (50*
24 *U.S.C. 404a) and the most recent Quadrennial De-*
25 *fense Review prescribed by the Secretary of Defense*
26 *pursuant to section 118 of this title.*

1 “(B) *A description of the strategic environment*
2 *and the opportunities and challenges that affect*
3 *United States national interests and United States*
4 *national security.*

5 “(C) *A description of the regional threats to*
6 *United States national interests and United States*
7 *national security.*

8 “(D) *A description of the international threats*
9 *posed by terrorism, weapons of mass destruction, and*
10 *asymmetric challenges to United States national secu-*
11 *arity.*

12 “(E) *Identification of United States national*
13 *military objectives and the relationship of those objec-*
14 *tives to the strategic environment, regional, and inter-*
15 *national threats.*

16 “(F) *Identification of the strategy, underlying*
17 *concepts, and component elements that contribute to*
18 *the achievement of United States national military*
19 *objectives.*

20 “(G) *Assessment of the capabilities and adequacy*
21 *of United States forces (including both active and re-*
22 *serve components) to successfully execute the national*
23 *military strategy.*

24 “(H) *Assessment of the capabilities, adequacy,*
25 *and interoperability of regional allies of the United*

1 *States and or other friendly nations to support*
2 *United States forces in combat operations and other*
3 *operations for extended periods of time.*

4 “(I) *Assessment of the resources, basing require-*
5 *ments, and support structure needed to provide the*
6 *capabilities necessary to be assured United States*
7 *forces can successfully achieve national military objec-*
8 *tives and to assess what resources and support might*
9 *be required to sustain allies or friendly nation forces*
10 *during combat operations.*

11 “(3)(A) *As part of the assessment under this sub-*
12 *section, the Chairman, in conjunction with the other mem-*
13 *bers of the Joint Chiefs of Staff and the commanders of the*
14 *unified and specified commands, shall undertake an assess-*
15 *ment of the nature and magnitude of the strategic and mili-*
16 *tary risks associated with successfully executing the mis-*
17 *sions called for under the current National Military Strat-*
18 *egy.*

19 “(B) *In preparing the assessment of risk, the Chair-*
20 *man should assume the existence of those threats described*
21 *in subparagraphs (C) and (D) of paragraph (2) and should*
22 *assess the risk associated with two regional threats occur-*
23 *ring nearly simultaneously.*

24 “(C) *In addition to the assumptions to be made under*
25 *subparagraph (B), the Chairman should make other as-*

1 *sumptions pertaining to the readiness of United States*
2 *forces (in both the active and reserve components), the*
3 *length of conflict and the level of intensity of combat oper-*
4 *ations, and the levels of support from allies and other*
5 *friendly nations.*

6 “(4) *Before submitting a report under this subsection*
7 *to the Committees on Armed Services of the Senate and*
8 *House of Representatives, the Chairman shall provide the*
9 *report to the Secretary of Defense. The Secretary’s assess-*
10 *ment and comments thereon (if any) shall be included with*
11 *the report. If the Chairman’s assessment in such report in*
12 *any year is that the risk associated with executing the mis-*
13 *sions called for under the National Military Strategy is sig-*
14 *nificant, the Secretary shall include with the report as sub-*
15 *mitted to those committees the Secretary’s plan for miti-*
16 *gating the risk.”.*

17 (b) *CONFORMING AMENDMENT.*—*Subsection (b)(1) of*
18 *such section is amended by striking “each year” and insert-*
19 *ing “of each odd-numbered year”.*

20 **SEC. 906. AUTHORITY FOR ACCEPTANCE BY ASIA-PACIFIC**
21 **CENTER FOR SECURITY STUDIES OF GIFTS**
22 **AND DONATIONS FROM NONFOREIGN**
23 **SOURCES.**

24 (a) *AUTHORITY.*—*Subsection (a) of section 2611 of*
25 *title 10, United States Code, is amended—*

1 (1) by striking “FOREIGN” in the subsection cap-
2 tion;

3 (2) by striking “foreign” in paragraph (1) after
4 “Center,”; and

5 (3) by adding at the end of paragraph (1) the
6 following sentence: “Such gifts and donations may be
7 accepted from any agency of the United States, any
8 State or local government, any foreign government,
9 any foundation or other charitable organization (in-
10 cluding any that is organized or operates under the
11 laws of a foreign country), or any other private
12 source in the United States or a foreign country.”.

13 (b) *CONFORMING AMENDMENTS.*—Such section is fur-
14 ther amended

15 (1) by striking “foreign” in subsection (c); and

16 (2) in subsection (f)—

17 (A) by striking “FOREIGN” in the sub-
18 section caption;

19 (B) by striking “foreign” after “section, a”;
20 and

21 (C) by striking “from a foreign” and all
22 that follows through “country.” and inserting a
23 period.

24 (c) *CLERICAL AMENDMENTS.*— The heading of such
25 section, and the item relating to such section in the table

1 of sections at the beginning of chapter 155 of such title,
2 are each amended by striking the third word after the colon.

3 **SEC. 907. REPEAL OF ROTATING CHAIRMANSHIP OF ECO-**
4 **NOMIC ADJUSTMENT COMMITTEE.**

5 Section 4004(b) of the Defense Economic Adjustment,
6 Diversification, Conversion, and Stabilization Act of 1990
7 (division D of Public Law 101–510; 10 U.S.C. 2391 note)
8 is amended—

9 (1) by striking “Until October 1, 1997, the” and
10 inserting “The”; and

11 (2) by striking the second sentence.

12 **SEC. 908. PILOT PROGRAM FOR IMPROVED CIVILIAN PER-**
13 **SONNEL MANAGEMENT.**

14 (a) *PILOT PROGRAM.*—(1) The Secretary of Defense
15 may carry out a pilot program using an automated work-
16 force management system to demonstrate improved effi-
17 ciency in the performance of civilian personnel manage-
18 ment.

19 (2) Under the pilot program, the Secretary of Defense
20 shall provide the Secretary of each military department
21 with the authority for the following:

22 (A) To use an automated workforce management
23 system for its civilian workforce to assess its potential
24 to substantially reduce hiring cycle times, lower labor
25 costs, increase efficiency, improve performance man-

1 *agement, provide better management reporting, and*
2 *enable it to make operational new personnel manage-*
3 *ment flexibilities granted under the civilian personnel*
4 *transformation program.*

5 *(B) Identify one regional civilian personnel cen-*
6 *ter (or equivalent) in each military department for*
7 *participation in the pilot program.*

8 *(3) The Secretary may carry out the pilot program*
9 *under this subsection at each selected regional civilian per-*
10 *sonnel center for a period of two years beginning not later*
11 *than March 1, 2004.*

12 *(b) PILOT PROGRAM CHARACTERISTICS.—The pilot*
13 *program civilian personnel management system shall have*
14 *at a minimum the following characteristics:*

15 *(1) Currently in use by Federal government agencies*
16 *outside the Department of Defense.*

17 *(2) Able to be purchased on an annual subscription*
18 *basis.*

19 *(3) Requires no capital investment, software license*
20 *fees, transaction charges, or “per seat” or “concurrent user”*
21 *restrictions.*

22 *(4) Capable of automating the workforce management*
23 *functions of job definition, position management, recruit-*
24 *ment, staffing, and performance management using inte-*
25 *grated vendor-supplied and supported data, expert system*

1 *rules engines, and software functionality across those func-*
2 *tions.*

3 (5) *Has a “native web” technical architecture and an*
4 *Oracle database.*

5 (6) *Fully hosted by the vendor so that the customer*
6 *requires only Internet access and an Internet browser to*
7 *use the system.*

8 (8) *Capable of operating completely “server side” so*
9 *that no software is required on the client system and no*
10 *invasive elements are used.*

11 (c) *IMPLEMENTATION PLAN.—(1) The Secretary shall*
12 *submit to the Committee on Armed Services of the Senate*
13 *and the Committee on Armed Services of the House of Rep-*
14 *resentatives a plan for the implementation of the pilot pro-*
15 *gram. The plan shall be submitted no later than six months*
16 *after the date of the enactment of this Act.*

17 (2) *The plan shall include the following:*

18 (A) *The Secretary’s request to the Office of Per-*
19 *sonnel Management to conduct the pilot program as*
20 *a Federal civilian personnel demonstration project*
21 *under chapter 47 of title 5, United States Code, or a*
22 *plan to provide for the pilot program through another*
23 *plan.*

24 (B) *The expected cost of the pilot program.*

1 rectly relating to continuity of operations and continuity
2 of government.”.

3 **SEC. 910. DEFENSE ACQUISITION WORKFORCE REDUC-**
4 **TIONS.**

5 (a) *REVISED LIMITATION.*—Subchapter V of chapter
6 87 of title 10, United States Code, is amended by adding
7 at the end the following new section:

8 **“§ 1765. Defense acquisition workforce: limitation**

9 “(a) *LIMITATION.*—Effective October 1, 2008, the num-
10 ber of defense acquisition and support personnel in the De-
11 partment of Defense may not exceed 75 percent of the base-
12 line number.

13 “(b) *PHASED REDUCTION.*—The number of defense ac-
14 quisition and support personnel in the Department of De-
15 fense—

16 “(1) as of October 1, 2004, may not exceed 95
17 percent of the baseline number;

18 “(2) as of October 1, 2005, may not exceed 90
19 percent of the baseline number;

20 “(3) as of October 1, 2006, may not exceed 85
21 percent of the baseline number; and

22 “(4) as of October 1, 2007, may not exceed 80
23 percent of the baseline number.

24 “(c) *BASELINE NUMBER.*—In this section, the term
25 ‘baseline number’ means the number of defense acquisition

1 *and support personnel in the Department of Defense as of*
2 *October 1, 2003.*

3 “(d) *DEFENSE ACQUISITION AND SUPPORT PER-*
4 *SONNEL DEFINED.—In this section, the term ‘defense acqui-*
5 *sition and support personnel’ means military and civilian*
6 *personnel (other than civilian personnel who are employed*
7 *at a maintenance depot) who are assigned to, or employed*
8 *in, acquisition organizations of the Department of Defense*
9 *(as specified in Department of Defense Instruction num-*
10 *bered 5000.58 dated January 14, 1992), and any other or-*
11 *ganizations which the Secretary may determine to have a*
12 *predominantly acquisition mission.”.*

13 (b) *CLERICAL AMENDMENT.—The table of sections at*
14 *the beginning of such subchapter is amended by adding at*
15 *the end the following new item:*

“1765. Defense acquisition workforce: limitation.”.

16 ***SEC. 911. REQUIRED FORCE STRUCTURE.***

17 (a) *ARMY.—Section 3062 of title 10, United States*
18 *Code, is amended by adding at the end the following new*
19 *subsection:*

20 “(e) *The Army shall be so organized as to include not*
21 *less than—*

22 “(1) *10 active and eight National Guard combat*
23 *divisions or their equivalents;*

24 “(2) *one active armored cavalry regiment and*
25 *one light cavalry regiment or their equivalents;*

1 “(3) 15 National Guard enhanced brigades or
2 their equivalents; and

3 “(4) such other active and reserve component
4 land combat, rotary-wing aviation, and other services
5 as may be required to support forces specified in
6 paragraphs (1) through (3).”.

7 (b) NAVY.—Section 5062 of such title is amended by
8 adding at the end the following new subsection:

9 “(d) The Navy, within the Department of the Navy,
10 shall be so organized as to include—

11 “(1) not less than 305 vessels in active service;

12 “(2) not less than 12 aircraft carrier battle
13 groups or their equivalents, not less than 12 amphib-
14 ious ready groups or their equivalents, not less than
15 55 attack submarines, not less than 108 active surface
16 combatant vessels, and not less than 8 reserve combat-
17 ant vessels; and

18 “(3) such other active and reserve naval combat,
19 naval aviation, and service forces as may be required
20 to support forces specified in paragraphs (1) and
21 (2).”.

22 (c) AIR FORCE.—Section 8062 of title 10, United
23 States Code, is amended by adding at the end the following
24 new subsection:

1 “(g) Notwithstanding subsection (e), the Air Force
2 shall be so organized as to include not less than—

3 “(1) 46 active fighter squadrons or their equiva-
4 lents;

5 “(2) 38 National Guard and Reserve squadrons
6 or their equivalents;

7 “(3) 96 combat-coded bomber aircraft in active
8 service; and

9 “(4) such other squadrons, reserve groups, and
10 supporting auxiliary and reserve units as may be re-
11 quired to support forces specified in paragraphs (1)
12 through (3).”.

13 **TITLE X—GENERAL PROVISIONS**

14 **Subtitle A—Financial Matters**

15 **SEC. 1001. TRANSFER AUTHORITY.**

16 (a) *AUTHORITY TO TRANSFER AUTHORIZATIONS.*—(1)
17 Upon determination by the Secretary of Defense that such
18 action is necessary in the national interest, the Secretary
19 may transfer amounts of authorizations made available to
20 the Department of Defense in this division for fiscal year
21 2004 between any such authorizations for that fiscal year
22 (or any subdivisions thereof). Amounts of authorizations so
23 transferred shall be merged with and be available for the
24 same purposes as the authorization to which transferred.

1 amount by which appropriations pursuant to such author-
2 ization are increased (by a supplemental appropriation) or
3 decreased (by a rescission), or both, or are increased by a
4 transfer of funds, pursuant to the following:

5 (1) Chapters 3 and 8 of title I of the Emergency
6 Wartime Supplemental Appropriations Act, 2003
7 (Public Law 108–11).

8 (2) Any Act enacted after May 23, 2003, making
9 supplemental appropriations for fiscal year 2003 for
10 the military functions of the Department of Defense.

11 (b) NNSA AUTHORIZATIONS.—Amounts authorized to
12 be appropriated to the Department of Energy for fiscal year
13 2003 in the Bob Stump National Defense Authorization Act
14 for Fiscal Year 2003 (Public Law 107–314) are hereby ad-
15 justed, with respect to any such authorized amount, by the
16 amount by which appropriations pursuant to such author-
17 ization are increased (by a supplemental appropriation) or
18 decreased (by a rescission), or both, or are increased by a
19 transfer of funds, pursuant to the following:

20 (1) Chapter 4 of the Emergency Wartime Sup-
21 plemental Appropriations Act, 2003 (Public Law
22 108–11).

23 (2) Any Act enacted after May 23, 2003, making
24 supplemental appropriations for fiscal year 2003 for

1 *research, development, test, and evaluation activities for*
2 *that program.*

3 “(2)(A) *The total amount transferred under the au-*
4 *thority of paragraph (1) for any acquisition program may*
5 *not exceed \$20,000,000.*

6 “(B) *The total amount transferred under the authority*
7 *of paragraph (1) from amounts made available for any fis-*
8 *cal year may not exceed \$250,000,000.*

9 “(3) *The authority provided by paragraph (1) is in*
10 *addition to any other transfer authority that may be pro-*
11 *vided by law.*

12 “(4) *Upon a determination that all or part of the*
13 *funds transferred under paragraph (1) are not necessary*
14 *for the purpose for which the transfer was made, such*
15 *amounts may be transferred back to a Procurement appro-*
16 *priation for the purpose of procurement of the acquisition*
17 *program for which funds were transferred.”.*

18 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
19 *section (a) shall not apply with respect to funds appro-*
20 *priated for a fiscal year before fiscal year 2004.*

21 ***SEC. 1004. RESTORATION OF AUTHORITY TO ENTER INTO***
22 ***12-MONTH LEASES AT ANY TIME DURING THE***
23 ***FISCAL YEAR.***

24 Section 2410a(a) of title 10, United States Code, is
25 amended by inserting after “severable services” the fol-

1 *lowing: “and the lease of real or personal property, includ-*
2 *ing the maintenance of such property when contracted for*
3 *as part of the lease agreement,”.*

4 **SEC. 1005. AUTHORITY FOR RETENTION OF ADDITIONAL**
5 **AMOUNTS REALIZED FROM ENERGY COST**
6 **SAVINGS.**

7 *(a) INCREASE IN AMOUNT OF ENERGY COST SAVINGS*
8 *RETAINED.—Section 2865(b)(1) of title 10, United States*
9 *Code, is amended by striking “Two-thirds of the portion*
10 *of the funds appropriated to Department of Defense for a*
11 *fiscal year that is” and inserting “Funds appropriated to*
12 *the Department of Defense for a fiscal year that are”.*

13 *(b) EFFECTIVE DATE.—The amendment made by sub-*
14 *section (a) shall not apply to funds appropriated for a fiscal*
15 *year before fiscal year 2004.*

16 **SEC. 1006. REPEAL OF REQUIREMENT FOR TWO-YEAR BUDG-**
17 **ET CYCLE FOR THE DEPARTMENT OF DE-**
18 **FENSE.**

19 *Section 1405 of the Department of Defense Authoriza-*
20 *tion Act, 1986 (Public Law 99–145; 31 U.S.C. 1105 note),*
21 *is repealed.*

1 **SEC. 1007. AUTHORITY TO PROVIDE REIMBURSEMENT FOR**
2 **USE OF PERSONAL CELLULAR TELEPHONES**
3 **WHEN USED FOR OFFICIAL GOVERNMENT**
4 **BUSINESS.**

5 (a) *IN GENERAL.*—(1) Chapter 134 of title 10, United
6 States Code, is amended by inserting after section 2257 the
7 following new section:

8 **“§2258. Personal cellular telephones: reimbursement**
9 **when used for Government business**

10 “(a) *GENERAL AUTHORITY.*—The Secretary of Defense
11 may reimburse members of the Army, Navy, Air Force, and
12 Marine Corp, and civilian officers and employees of the De-
13 partment of Defense, for cellular telephone use on a pri-
14 vately owned cellular telephone when used on official Gov-
15 ernment business. Such reimbursement shall be on a flat-
16 rate basis.

17 “(b) *REIMBURSEMENT RATE.*—The Secretary of De-
18 fense may prescribe the reimbursement rate for purposes of
19 subsection (a). That reimbursement rate may not exceed the
20 equivalent Government costs of providing a cellular tele-
21 phone to employees on official Government business.”.

22 (2) The table of sections at the beginning of subchapter
23 II of such chapter is amended by inserting after the item
24 relating to section 2257 the following new item:

“2258. Personal cellular telephones: reimbursement when used for Government
business.”.

1 (b) *EFFECTIVE DATE.*—Section 2258 of title 10,
2 *United States Code*, as added by subsection (a), shall take
3 effect on October 1, 2003, and shall apply with respect to
4 the use of cellular phones on or after that date.

5 ***Subtitle B—Naval Vessels and***
6 ***Shipyards***

7 ***SEC. 1011. REPEAL OF REQUIREMENT REGARDING PRESER-***
8 ***VATION OF SURGE CAPABILITY FOR NAVAL***
9 ***SURFACE COMBATANTS.***

10 (a) *REPEAL.*—Section 7296 of title 10, *United States*
11 *Code*, is amended by striking subsection (b).

12 (b) *CLERICAL AMENDMENTS.*—Such section is further
13 amended—

14 (1) by striking “(3) Any notification under
15 paragraph (1)(A)” and inserting “(b) *CONTENT OF*
16 *NOTIFICATION.*—Any notification under subsection
17 (a)(1)(A)”;

18 (2) by redesignating subparagraphs (A), (B),
19 and (C) of subsection (b) (as redesignated by para-
20 graph (1)) as paragraphs (1), (2), and (3), respec-
21 tively; and

22 (3) by striking “subparagraph (B)” in subsection
23 (b)(3) (as redesignated by paragraphs (1) and (2))
24 and inserting “paragraph (2)”.

1 **SEC. 1012. ENHANCEMENT OF AUTHORITY RELATING TO**
2 **USE FOR EXPERIMENTAL PURPOSES OF VES-**
3 **SELS STRICKEN FROM NAVAL VESSEL REG-**
4 **ISTER.**

5 (a) *SALE OF MATERIAL AND EQUIPMENT STRIPPED*
6 *FROM VESSEL.*—Subsection (b)(1) of section 7306a of title
7 10, United States Code, is amended by adding at the end
8 the following new sentence: “Material and equipment
9 stripped from the vessel may be sold by a contractor or a
10 designated sales agent on behalf of the Navy.”.

11 (b) *USE OF PROCEEDS.*—(1) Subsection (b)(2) of such
12 section is amended by striking “scrapping services” and all
13 that follows through and inserting “services needed for such
14 stripping and for environmental remediation required for
15 the use of the vessel for experimental purposes. Amounts re-
16 ceived in excess of amounts needed for reimbursement of
17 those costs shall be deposited into the account from which
18 the stripping and environmental remediation expenses were
19 incurred and shall be available for stripping and environ-
20 mental remediation of other vessels to be used for experi-
21 mental purposes.”.

22 (2) *The amendment made by paragraph (1) shall not*
23 *apply with respect to proceeds from the stripping of a vessel*
24 *under any vessel stripping contract entered into before the*
25 *date of the enactment of this Act.*

1 (c) *CLARIFICATION OF COVERED EXPERIMENTAL PUR-*
2 *POSES.*—Such section is further amended by adding at the
3 end the following new subsection:

4 “(c) *USE FOR EXPERIMENTAL PURPOSES DEFINED.*—
5 *In this section, the term ‘use for experimental purposes’ in-*
6 *cludes use of a vessel in a Navy sink exercise or for target*
7 *purposes.’”.*

8 **SEC. 1013. AUTHORIZATION FOR TRANSFER OF VESSELS**
9 **STRICKEN FROM NAVAL VESSEL REGISTER**
10 **FOR USE AS ARTIFICIAL REEFS.**

11 (a) *AUTHORITY.*—Chapter 633 of title 10, United
12 States Code, is amended by inserting after section 7306a
13 the following new section:

14 **“§ 7306b. Vessels stricken from Naval Vessel Register:**
15 **transfer by gift or otherwise for use as ar-**
16 **tificial reefs**

17 “(a) *AUTHORITY TO MAKE TRANSFER.*—The Sec-
18 retary of the Navy may transfer, by gift or otherwise, any
19 vessel stricken from the Naval Vessel Register to any State,
20 Commonwealth, or possession of the United States or any
21 municipal corporation or political subdivision thereof for
22 use as an artificial reef as provided in subsection (b).

23 “(b) *VESSEL TO BE USED AS ARTIFICIAL REEF.*—An
24 agreement for the transfer of a vessel under subsection (a)
25 shall require that—

1 “(1) *the transferee use, site, construct, monitor,*
2 *and manage the vessel only as an artificial reef in ac-*
3 *cordance with the requirements of the National Fish-*
4 *ing Enhancement Act of 1984 (33 U.S.C. 2101 et*
5 *seq.), except that the transferee also may use the arti-*
6 *ficial reef to enhance diving opportunities if that use*
7 *does not have an adverse effect on fishery resources;*
8 *and*

9 “(2) *the transferee shall obtain, and bear all of*
10 *the responsibility for complying with, all applicable*
11 *Federal, State, interstate, and local permits for siting,*
12 *constructing, monitoring, and managing a vessel as*
13 *an artificial reef.*

14 “(c) *ADDITIONAL TERMS.—The Secretary may require*
15 *such additional terms in connection with a conveyance au-*
16 *thorized by this section as the Secretary considers appro-*
17 *priate.*

18 “(d) *COST SHARING ON TRANSFERS.—The Secretary*
19 *of the Navy may share with the recipient any of the costs*
20 *associated with transferring a vessel under this section.*

21 “(e) *APPLICATION FOR MORE THAN ONE VESSEL.—*
22 *A State, Commonwealth, or possession of the United States,*
23 *or any municipal corporation or political subdivision*
24 *thereof, may apply for more than one vessel under this sec-*
25 *tion.*

1 “(f) *DEFINITION.*—*In this section, the term ‘fishery re-*
 2 *sources’ has the meaning given such term in section 3(14)*
 3 *of the Magnuson-Stevens Fishery Conservation and Man-*
 4 *agement Act of 1976 (16 U.S.C. 1802(14)).”.*

5 (b) *CLERICAL AMENDMENT.*—*The table of sections at*
 6 *the beginning of such chapter is amended by inserting after*
 7 *the item relating to section 7306a the following new item:*

*“7306b. Vessels stricken from Naval Vessel Register: transfer by gift or otherwise
 for use as artificial reefs.”.*

8 ***SEC. 1014. PILOT PROGRAM FOR SEALIFT SHIP CONSTRUC-***
 9 ***TION.***

10 (a) *ESTABLISHMENT OF PILOT PROGRAM.*—*The Sec-*
 11 *retary of the Navy may establish a pilot program, under*
 12 *which the Secretary of the Navy, subject to the availability*
 13 *of appropriations, may guarantee loans for—*

14 (1) *the construction in a United States shipyard*
 15 *of two qualified sealift ships that are to be docu-*
 16 *mented under the laws of the United States for use in*
 17 *United States-flag commercial service; and*

18 (2) *the acquisition of facilities or equipment per-*
 19 *taining to the marine operations of those ships, which*
 20 *may include specialized loading equipment.*

21 (b) *CONDITIONS OF GUARANTEE.*—*A guarantee under*
 22 *this section is subject to the following conditions:*

23 (1) *MSP.*—*The owner of the ships for which*
 24 *guarantees are issued shall apply for an operating*

1 *agreement with the Secretary of Transportation under*
2 *subtitle B of this title.*

3 (2) *NDF; CHARTER.—If the Secretary of the*
4 *Navy requests, the owner of the ships shall engage in*
5 *negotiations on reasonable terms and conditions for—*

6 (A) *installation and maintenance of defense*
7 *features for national defense purposes on one or*
8 *both ships under section 2218 of title 10, United*
9 *States Code; and*

10 (B) *a short-term charter to the United*
11 *States Government of at least one ship for which*
12 *a guarantee is issued, for a period of at least 60*
13 *days prior to entry into commercial service, for*
14 *the purpose of demonstrating the military capa-*
15 *bilities of the ships.*

16 (c) *PAYMENT OF COST.—The cost of a guarantee under*
17 *this section shall be paid for with amounts made available*
18 *in appropriations Acts.*

19 (d) *PERCENTAGE LIMITATION; TERM.—A guarantee*
20 *under this section may apply—*

21 (1) *to up to 87.5 percent of the loan principal;*
22 *and*

23 (2) *for a term ending up to 25 years after deliv-*
24 *ery of the second ship.*

1 (e) *AUTHORITIES, PROCEDURES, REQUIREMENTS, AND*
2 *RESTRICTIONS.*—*The Secretary of the Navy, subject to the*
3 *other provisions of this section—*

4 (1) *in implementing this section, may exercise*
5 *authorities that are substantially the same as the au-*
6 *thorities available to the Secretary of Transportation*
7 *under title XI of the Merchant Marine Act, 1936 (46*
8 *App. U.S.C. 1271 et seq.) with respect to loan guar-*
9 *antees under that title;*

10 (2) *shall implement this section under proce-*
11 *dures, requirements, and restrictions that are substan-*
12 *tially the same as those under which loan guarantees*
13 *are made under that title, including the regulations*
14 *implementing that title; and*

15 (3) *may establish such additional requirements*
16 *for loan guarantees under this section as the Sec-*
17 *retary determines to be necessary to minimize the cost*
18 *of such guarantees.*

19 (f) *INTERAGENCY AGREEMENT.*—*The Secretary of*
20 *Transportation shall enter into an interagency agreement*
21 *or other appropriate arrangement with the Secretary of the*
22 *Navy to make available to the Department of the Navy such*
23 *Maritime Administration personnel with expertise in vessel*
24 *construction financing as are necessary to carry out the*
25 *program under this section.*

1 (g) *DEFINITIONS.*—*In this section:*

2 (1) *COST.*—*The term “cost”, with respect to a*
3 *loan guarantee under this section, has the meaning*
4 *given that term in section 502 of the Congressional*
5 *Budget and Impoundment Control Act of 1974 (2*
6 *U.S.C. 661a).*

7 (2) *QUALIFIED SEALIFT SHIP.*—*The term “quali-*
8 *fied sealift ship” means a roll-on, roll-off vessel that*
9 *is—*

10 (A) *militarily useful for additional*
11 *medium- to long-haul strategic sealift capacity;*

12 (B) *designed to carry at least 10,000 tons*
13 *of cargo; and*

14 (C) *capable of operating commercially in*
15 *the foreign commerce of the United States.*

16 (h) *AUTHORIZATION OF APPROPRIATIONS.*—*There are*
17 *authorized to be appropriated to the Secretary of the Navy*
18 *to carry out this section \$40,000,000.*

19 ***Subtitle C—Reports***

20 ***SEC. 1021. REPEAL AND MODIFICATION OF VARIOUS RE-*** 21 ***PORTING REQUIREMENTS APPLICABLE TO*** 22 ***THE DEPARTMENT OF DEFENSE.***

23 (a) *TITLE 10, UNITED STATES CODE.*—*Title 10,*
24 *United States Code, is amended as follows:*

1 (1) *Section 113 is amended by striking sub-*
2 *section (m).*

3 (2) *Section 117(e) is amended by striking “each*
4 *month” and all that follows through “subsection (d)”*
5 *and inserting “each quarter submit to the congres-*
6 *sional defense committees a report in writing con-*
7 *taining the results of the most recent joint readiness*
8 *review under subsection (d)(1)(A)”.*

9 (3) *Section 127(d) is amended to read as follows:*
10 *“(d) ANNUAL REPORT.—Not later than December 1*
11 *each year, the Secretary of Defense shall submit to the con-*
12 *gressional defense committees a report on expenditures dur-*
13 *ing the preceding fiscal year under subsections (a) and*
14 *(b).”.*

15 (4) *Section 127a is amended—*

16 (A) *in subsection (a)—*

17 (i) *by striking paragraph (3); and*

18 (ii) *by redesignating paragraph (4) as*
19 *paragraph (3); and*

20 (B) *by striking subsection (d).*

21 (5) *Section 128 is amended by striking sub-*
22 *section (d).*

23 (6) *Section 129 is amended by striking sub-*
24 *section (f).*

1 (7) *Section 184 is amended by striking sub-*
2 *section (b).*

3 (8) *Section 226(a) is amended—*

4 (A) *by striking “December 15” and insert-*
5 *ing “January 15”; and*

6 (B) *by striking “in the following year” in*
7 *paragraph (1) and inserting “in that year”.*

8 (9)(A) *Section 228 is amended—*

9 (i) *in subsection (a)—*

10 (I) *by striking “MONTHLY” in the sub-*
11 *section heading and inserting “QUAR-*
12 *TERLY”;*

13 (II) *by striking “monthly” and insert-*
14 *ing “quarterly”; and*

15 (III) *by striking “month” and insert-*
16 *ing “fiscal-year quarter”; and*

17 (ii) *in subsection (c), by striking “month”*
18 *each place it appears and inserting “quarter”.*

19 (B)(i) *The heading of such section is amended to*
20 *read as follows:*

1 **“§228. Quarterly reports on allocation of funds with-**
2 **in operation and maintenance budget**
3 **subactivities”.**

4 (ii) *The item relating to section 228 in the table*
5 *of sections at the beginning of chapter 9 is amended*
6 *to read as follows:*

“228. Quarterly reports on allocation of funds within operation and maintenance budget subactivities.”.

7 (10) *Section 401 is amended by striking sub-*
8 *section (d).*

9 (11) *Section 437 is amended—*

10 (A) *by striking the second sentence of sub-*
11 *section (b); and*

12 (B) *by striking subsection (c).*

13 (12)(A) *Section 484 is repealed.*

14 (B) *The table of sections at the beginning of such*
15 *chapter is amended by striking the item relating to*
16 *section 484.*

17 (13)(A) *Section 520c is amended—*

18 (i) *by striking subsection (b);*

19 (ii) *by striking “(a) PROVISION OF MEALS*
20 *AND REFRESHMENTS.”; and*

21 (iii) *by striking the heading for such section*
22 *and inserting the following:*

1 **“§520c. Recruiting functions: provision of meals and**
2 **refreshments”.**

3 (B) *The item relating to such section in the table*
4 *of sections at the beginning of chapter 31 is amended*
5 *to read as follow:*

“520c. Recruiting functions: provision of meals and refreshments.”.

6 (14) *Section 983(e)(1) is amended by striking*
7 *“and to Congress”.*

8 (15) *Section 1060 is amended by striking sub-*
9 *section (d).*

10 (16) *Section 1130 is amended—*

11 (A) *in subsection (a), by striking “the other*
12 *determinations necessary to comply with sub-*
13 *section (b)” and inserting “respond with a de-*
14 *tailed description of the rationale supporting the*
15 *determination”;* and

16 (B) *by striking subsection (b).*

17 (17) *Section 1557 is amended by striking sub-*
18 *section (e).*

19 (18) *Section 1563 is amended—*

20 (A) *in subsection (a), by striking “the other*
21 *determinations necessary to comply with sub-*
22 *section (b)” and inserting “respond with a de-*
23 *tailed description of the rationale supporting the*
24 *determination”;* and

25 (B) *by striking subsection (b).*

1 (19) *Section 2010 is amended by striking sub-*
2 *section (b).*

3 (20) *Section 2166 is amended—*

4 (A) *in subsection (e)(5), by inserting “and*
5 *to Congress” after “to the Secretary of Defense”;*
6 *and*

7 (B) *by striking subsection (i).*

8 (21) *Section 2208(j)(2) is amended by striking*
9 *“and notifies Congress regarding the reasons for the*
10 *waiver”.*

11 (22) *Section 2216(a) is amended—*

12 (A) *by striking “QUARTERLY REPORTS.—*

13 (1) *Not later than 15 days after the end of each*
14 *calendar quarter” and inserting “ANNUAL RE-*
15 *PORT.—Not later than 60 days after the end of*
16 *each fiscal year”;* *and*

17 (B) *by striking “quarter” in subparagraphs*
18 (A), (B), and (C) *of paragraph (1) and inserting*
19 *“fiscal year”.*

20 (23) *Section 2224(e) is amended by inserting*
21 *“through 2007” after “Each year”.*

22 (24) *Section 2255(b)—*

23 (A) *by striking paragraph (2); and*

24 (B) *by striking “(1)” after “(b) EXCEP-*
25 *TION.—”.*

1 (25) *Section 2281 is amended by striking sub-*
2 *section (d).*

3 (26)(A) *Section 2282 is repealed.*

4 (B) *The table of sections at the beginning of*
5 *chapter 136 is amended by striking the item relating*
6 *to section 2282.*

7 (27) *Section 2323 is amended—*

8 (A) *in subsection (d)—*

9 (i) *by striking “Defense—” and all*
10 *that follows through “the extent” and insert-*
11 *ing “Defense to the extent”;*

12 (ii) *by striking “; and” and inserting*
13 *a period; and*

14 (iii) *by striking paragraph (2); and*

15 (B) *by striking subsection (i).*

16 (28) *Section 2327(c)(1) is amended—*

17 (A) *in subparagraph (A), by striking “after*
18 *the date on which such head of an agency sub-*
19 *mits to Congress a report on the contract” and*
20 *inserting “if in the best interests of the Govern-*
21 *ment”;*

22 (B) *in subparagraph (B), by striking “A re-*
23 *port under subparagraph (A)” and inserting*
24 *“The Secretary shall maintain records of each*

1 *contract entered into by reason of subparagraph*
2 *(A). Such records”; and*

3 *(C) by striking subparagraph (C).*

4 *(29) Section 2350a is amended—*

5 *(A) by striking subsection (f); and*

6 *(B) in subsection (g), by striking paragraph*
7 *(3).*

8 *(30) Section 2350j is amended by striking sub-*
9 *sections (e) and (g).*

10 *(31) Section 2367 is amended by striking sub-*
11 *section (d).*

12 *(32) Section 2371 is amended by striking sub-*
13 *section (h).*

14 *(33) Section 2374a is amended by striking sub-*
15 *section (e).*

16 *(34) Section 2410i(c) is amended by striking the*
17 *last sentence.*

18 *(35) Section 2410m(c) is amended—*

19 *(A) by striking “REPORTING REQUIRE-*
20 *MENT.—Each year” and inserting “ANNUAL RE-*
21 *PORT.—Not later than 60 days after the end of*
22 *each fiscal year”;*

23 *(B) by inserting “at the end of such fiscal*
24 *year” in paragraph (1) before the period;*

1 (C) by striking “during the year preceding
2 the year in which the report is submitted” in
3 paragraph (2) and inserting “under this section
4 during that fiscal year”;

5 (D) by striking “in such preceding year” in
6 paragraph (3) and inserting “under this section
7 during that fiscal year”; and

8 (E) by striking “in such preceding year” in
9 paragraph (4) and inserting “under this section
10 during that fiscal year”.

11 (36) Section 2433 is amended—

12 (A) in subsection (d)—

13 (i) in paragraphs (1) and (2), by strik-
14 ing “; or by at least 25 percent,”; and

15 (ii) in paragraph (3)—

16 (I) by striking “or by at least 25
17 percent,” both places it appears; and

18 (II) by inserting a comma after
19 “paragraph (1)”; and

20 (B) in subsection (e)—

21 (i) by striking paragraph (2);

22 (ii) by redesignating paragraph (3) as
23 paragraph (2);

24 (iii) in paragraph (2), as so redesign-
25 ated, by striking “or if a” in the first sen-

1 *tence and all that follows through “para-*
2 *graph (2),”;* and

3 *(iv) by designating the second sentence*
4 *of such paragraph as paragraph (3) and in*
5 *that paragraph—*

6 *(I) by inserting “under paragraph*
7 *(2)” after “The prohibition”;* and

8 *(II) by striking “the date—” and*
9 *all that follows through “subsection*
10 *(d).” and inserting “the date on which*
11 *Congress receives the Selected Acquisi-*
12 *tion Report under paragraph (1) with*
13 *respect to that program.”.*

14 *(37) Section 2457 is amended by striking sub-*
15 *section (d).*

16 *(38) Section 2493 is amended by striking sub-*
17 *section (g).*

18 *(39) Section 2515 is amended by striking sub-*
19 *section (d).*

20 *(40) Section 2521 is amended by striking sub-*
21 *section (e).*

22 *(41) Section 2536 is amended—*

23 *(A) in subsection (b)(2)—*

1 (i) by striking “notify Congress” in the
2 first sentence and inserting “maintain a
3 record”; and

4 (ii) by striking the second sentence and
5 inserting the following: “The records main-
6 tained under the preceding sentence with re-
7 spect to a waiver shall include a justifica-
8 tion in support of the decision to grant the
9 waiver and shall be retrievable for any par-
10 ticular waiver or for waivers during any
11 period of time.”; and

12 (B) by adding at the end the following new
13 subsection:

14 “(d) The Secretary of Defense shall maintain an ac-
15 count of actions relating to the award of contracts to a
16 prime contractor. The Secretary of Defense shall include in
17 such accounts the reasons for exercising the awards and the
18 work expected to be performed.”.

19 (42) Section 2541d is amended—

20 (A) by striking subsection (b); and

21 (B) in subsection (a), by striking “(a)” and
22 all that follows through “The Secretary of De-
23 fense” and inserting “The Secretary of Defense”.

24 (43) Section 2561 is amended by striking sub-
25 sections (c), (d) and (f).

1 (44) Section 2563(c)(2) is amended by striking
2 “and notifies Congress regarding the reasons for the
3 waiver”.

4 (45) Section 2645 is amended by striking sub-
5 sections (d) and (g).

6 (46) Section 2667a(c)(2) is amended by striking
7 “45 days” and inserting “14 days”.

8 (47) Section 2676(d) is amended by striking “21
9 days” and inserting “14 days”.

10 (48) Section 2680 is amended by striking sub-
11 section (e).

12 (49) Section 2696 is amended by striking sub-
13 sections (c) and (d).

14 (50) Section 2703(c)(2) is amended—

15 (A) by striking subparagraph (B);

16 (B) by striking “unless the Secretary—”
17 and all that follows through “determines that”
18 and inserting “unless the Secretary determines
19 that”; and

20 (C) by redesignating clauses (i), (ii), and
21 (iii) as subparagraphs (A), (B), and (C), respec-
22 tively, and realigning such subparagraphs (as so
23 redesignated) two ems from the left margin.

24 (51)(A) Section 2723 is repealed.

1 (B) *The table of sections at the beginning of*
2 *chapter 161 is amended by striking the item relating*
3 *to section 2723.*

4 (52) *Section 2803(b) is amended by striking*
5 *“21-day period” and inserting “seven-day period”.*

6 (53) *Section 2804(b) is amended by striking*
7 *“21-day period” and inserting “14-day period”.*

8 (54) *Section 2805(b) is amended—*

9 (A) *in paragraph (1), by striking*
10 *“\$750,000” and inserting “\$1,000,000”; and*

11 (B) *in paragraph (2), by striking “by strik-*
12 *ing “21-day period” and inserting “seven-day*
13 *period”.*

14 (55) *Section 2807 is amended—*

15 (A) *in subsection (b)—*

16 (i) *by striking “\$500,000” and insert-*
17 *ing “\$1,000,000”; and*

18 (ii) *by striking “not less than 21*
19 *days”; and*

20 (B) *in subsection (c)(2), by striking “21*
21 *days” and inserting “14 days”.*

22 (56) *Section 2809(f)(2) is amended by striking*
23 *“21 calendar days” and inserting “14 days”.*

24 (57) *Section 2812(c)(1)(B) is amended by strik-*
25 *ing “21 days” and inserting “14 days”.*

1 (58) Section 2813(c) is amended by striking
2 “30-day period” and inserting “21-day period”.

3 (59) Section 2825 is amended—

4 (A) by striking “21 days” in the last sen-
5 tence of subsection (b)(1)(B) and inserting “14
6 days”; and

7 (B) by striking “21 days” in subsection
8 (c)(1)(D) and inserting “14 days”.

9 (60) Section 2826 is amended—

10 (A) by striking “(a) LOCAL COM-
11 PARABILITY.—”; and

12 (B) by striking subsection (b).

13 (61) Section 2827(b)(2) is amended by striking
14 “21 days” and inserting “14 days”.

15 (62) Section 2836(f)(2) is amended by striking
16 “21 calendar days” and inserting “14 days”.

17 (63) Section 2837(c)(2) is amended by striking
18 “21-day period” and inserting “14-day period”.

19 (64) Section 2854(b) is amended by striking
20 “21-day period” and inserting “seven-day period”.

21 (65) Section 2854a(c)(2) is amended by striking
22 “21 calendar days” and inserting “14 days”.

23 (66) Section 2865 is amended—

24 (A) in subsection (e)—

1 (i) by striking “(1)” before “The Sec-
2 retary”; and

3 (ii) by striking paragraph (2); and

4 (B) by striking subsection (f).

5 (67) Section 2866(c) is amended—

6 (A) by striking “(1)” before “The Sec-
7 retary”; and

8 (B) by striking paragraph (2).

9 (68) Section 2867(c) is amended by striking
10 “21-day period” and inserting “14-day period”.

11 (69) Section 2875(e) is amended by striking
12 “30-day period” and inserting “14-day period”.

13 (70) Section 2883(f) is amended by striking
14 “30-day period” and inserting “14-day period”.

15 (71) Section 2902(g) is amended—

16 (A) by striking paragraph (2); and

17 (B) by striking “(1)” after “(g)”.

18 (72) Section 4342(h) is amended by striking
19 “Secretary of the Army” and inserting “Super-
20 intendent”.

21 (73) Section 4357(c) is amended is amended by strik-
22 ing “the expiration of 30 days following”.

23 (74) Section 6954(f) is amended by striking
24 “Secretary of the Navy” and inserting “Super-
25 intendent of the Naval Academy”.

1 (75) Section 6975(c) is amended is amended by
2 striking “the expiration of 30 days following”.

3 (76) Section 7049(c) is amended—

4 (A) by striking “CERTIFICATION” in the
5 subsection heading and inserting “DETERMINA-
6 TION”; and

7 (B) by striking “, and certifies to” and all
8 that follows through “House of Representatives,”.

9 (77) Section 9342(h) is amended by striking
10 “Secretary of the Air Force” and inserting “Super-
11 intendent”.

12 (78) Section 9356(c) is amended is amended by
13 striking “the expiration of 30 days following”.

14 (79) Section 12302—

15 (A) in subsection (b), by striking the last
16 sentence; and

17 (B) by striking subsection (d).

18 (80)(A) Section 16137 is repealed.

19 (B) The table of sections at the beginning of
20 chapter 1606 is amended by striking the item relating
21 to section 16137.

22 (b) FOREIGN ASSISTANCE ACT OF 1961.—Section 656
23 of the Foreign Assistance Act of 1961 (22 U.S.C. 2416) is
24 repealed.

1 (c) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*
2 *FISCAL YEAR 1991.*—*Part B of title XXIX of the National*
3 *Defense Authorization Act for Fiscal Year 1991 (Public*
4 *Law 101–510; 10 U.S.C. 2687 note) is amended as follows:*

5 (1) *Section 2921 is amended—*

6 (A) *in subsection (f)(1), by striking “30*
7 *days” and inserting “14 days”; and*

8 (B) *in subsection (g), by striking “30 days”*
9 *in paragraphs (1) and (2) and inserting “14*
10 *days”.*

11 (2) *Section 2926 is amended by striking sub-*
12 *section (g).*

13 (d) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*
14 *FISCAL YEARS 1992 AND 1993.*—*The National Defense Au-*
15 *thorization Act for Fiscal Years 1992 and 1993 (Public*
16 *Law 102–190) is amended as follows:*

17 (1) *Section 734 (10 U.S.C. 1074 note) is amend-*
18 *ed by striking subsection (c).*

19 (2) *Section 2868 (10 U.S.C. 2802 note) is*
20 *amended by striking “The Secretary of Defense” and*
21 *all that follows through “is to be authorized” and in-*
22 *serting “Not later than 30 days after the date on*
23 *which a decision is made selecting the site or sites for*
24 *the permanent basing of a new weapon system, the*
25 *Secretary of Defense shall submit to Congress”.*

1 (e) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*
2 *FISCAL YEAR 1993.*—*The National Defense Authorization*
3 *Act for Fiscal Year 1993 (Public Law 102–484) is amended*
4 *as follows:*

5 (1) *Section 324 (10 U.S.C. 2701 note) is amend-*
6 *ed—*

7 (A) *by striking “(a) SENSE OF CON-*
8 *GRESS.—”;* *and*

9 (B) *by striking subsection (b).*

10 (2) *Section 1082(b)(1) (10 U.S.C. 113 note) is*
11 *amended by striking “the Secretary of Defense—”*
12 *and all that follows and inserting “the Secretary of*
13 *Defense determines that it is in the national security*
14 *interests of the United States for the military depart-*
15 *ments to do so.”.*

16 (f) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*
17 *FISCAL YEAR 1995.*—*Section 721 of the National Defense*
18 *Authorization Act for Fiscal Year 1995 (Public Law 103–*
19 *337; 10 U.S.C. 1074 note) is amended by striking subsection*
20 *(h).*

21 (g) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*
22 *FISCAL YEAR 1997.*—*The National Defense Authorization*
23 *Act for Fiscal Year 1997 (Public Law 104–201) is amended*
24 *as follows:*

1 (1) *Section 324 (10 U.S.C. 2706 note) is amend-*
2 *ed by striking subsection (c).*

3 (2) *Section 1065(b) (10 U.S.C. 113 note) is*
4 *amended—*

5 (1) *by striking “(1)” before “Notwith-*
6 *standing”; and*

7 (2) *by striking paragraph (2).*

8 (h) *DEPARTMENT OF DEFENSE APPROPRIATIONS ACT,*
9 *1997.—Section 8009 of the Department of Defense Appro-*
10 *priations Act, 1997 (as contained in section 101(b) of Pub-*
11 *lic Law 104–208; 110 Stat. 3009-89), is amended by strik-*
12 *ing “, unless the congressional defense committees have been*
13 *notified at least thirty days in advance of the proposed con-*
14 *tract award”.*

15 (i) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*
16 *FISCAL YEAR 1998.—Section 349 of the National Defense*
17 *Authorization Act for Fiscal Year 1998 (Public Law 105–*
18 *85; 10 U.S.C. 2702 note) is amended by striking subsection*
19 *(e).*

20 (j) *STROM THURMOND NATIONAL DEFENSE AUTHOR-*
21 *IZATION ACT FOR FISCAL YEAR 1999.—The Strom Thur-*
22 *mond National Defense Authorization Act for Fiscal Year*
23 *1999 (Public Law 105–261) is amended as follows:*

24 (1) *Section 745(e) (10 U.S.C. 1071 note) is*
25 *amended—*

1 (A) by striking “(1)” before “The Secretary
2 of Defense”; and

3 (B) by striking paragraph (2).

4 (2) Section 1223 (22 U.S.C. 1928 note) is re-
5 pealed.

6 (k) NATIONAL DEFENSE AUTHORIZATION ACT FOR
7 FISCAL YEAR 2000.—The National Defense Authorization
8 Act for Fiscal Year 2000 (Public Law 106–65) is amended
9 as follows:

10 (1) Section 212 (10 U.S.C. 2501 note) is amend-
11 ed by striking subsection (c).

12 (2) Section 724 (10 U.S.C. 1092 note) is amend-
13 ed by striking subsection (e).

14 (4) Section 1039 (10 U.S.C. 113 note) is amend-
15 ed by striking subsection (b).

16 (l) MILITARY CONSTRUCTION APPROPRIATIONS ACT,
17 2001.—Section 125 of the Military Construction Appro-
18 priations Act, 2001 (division A of Public Law 106–246;
19 114 Stat. 517), is repealed.

20 (m) DEPARTMENT OF DEFENSE APPROPRIATIONS ACT,
21 2001.—Section 8019 of the Department of Defense Appro-
22 priations Act, 2001 (Public Law 106–259; 114 Stat. 678;
23 10 U.S.C. 2687 note), is amended by striking “of Congress:”
24 and all that follows through “this provision” and inserting
25 “of Congress”.

1 (n) *FLOYD D. SPENCE NATIONAL DEFENSE AUTHOR-*
2 *IZATION ACT FOR FISCAL YEAR 2001.*—Section 1006 of the
3 *Floyd D. Spence National Defense Authorization Act for*
4 *Fiscal Year 2001 (as enacted into law by Public Law 106-*
5 *398; 114 Stat. 1654A–247; 10 U.S.C. 2226 note), is amend-*
6 *ed by striking subsection (c).*

7 (o) *DEPARTMENT OF DEFENSE APPROPRIATIONS ACT,*
8 *2002.*—Section 8009 of the *Department of Defense Appro-*
9 *priations Act, 2002 (division A of Public Law 107–117;*
10 *115 Stat. 2249; 10 U.S.C. 401 note), is amended by striking*
11 *“, and these obligations shall be reported to the Congress”.*

12 **SEC. 1022. REPORT ON OPERATION IRAQI FREEDOM.**

13 (a) *REPORT REQUIRED.*—Not later than June 15,
14 2004, the Secretary of Defense shall submit to the Com-
15 mittee on Armed Services of the Senate and the Committee
16 on Armed Services of the House of Representatives a report
17 on Operation Iraqi Freedom. The Secretary shall submit
18 to those committees a preliminary report on the conduct
19 of those hostilities not later than January 15, 2004.

20 (b) *DISCUSSION OF ACCOMPLISHMENTS AND SHORT-*
21 *COMINGS.*—The report (and the preliminary report, to the
22 extent feasible) shall contain a discussion, with a particular
23 emphasis on accomplishments and shortcomings, of the fol-
24 lowing matters:

1 (1) *The military objectives of the multinational*
2 *coalition.*

3 (2) *The military strategy of the multinational*
4 *coalition to achieve those military objectives and how*
5 *the military strategy contributed to the achievement*
6 *of those objectives.*

7 (3) *The deployment of United States forces and*
8 *the transportation of supplies to the theater of oper-*
9 *ations, including an assessment of airlift, sealift,*
10 *afloat prepositioning ships, and Maritime*
11 *Prepositioning Squadron ships.*

12 (4) *The conduct of military operations.*

13 (5) *The use of special operations forces, includ-*
14 *ing operational and intelligence uses classified under*
15 *special access procedures.*

16 (6) *The use and performance of United States*
17 *military equipment, weapon systems, and munitions*
18 *(including items classified under special access proce-*
19 *dures) and an analysis of—*

20 (A) *any equipment or capabilities that were*
21 *in research and development and if available*
22 *could have been used in the theater of operations;*
23 *and*

1 (B) any equipment or capabilities that were
2 available and could have been used but were not
3 introduced into the theater of operations.

4 (7) The scope of logistics support, including sup-
5 port from other nations.

6 (8) The acquisition policies and processes used to
7 support the forces in the theater of operations.

8 (9) The personnel management actions taken to
9 support the forces in the theater of operations.

10 (10) The effectiveness of reserve component forces,
11 including a discussion of each of the following mat-
12 ters:

13 (A) The readiness and activation of such
14 forces.

15 (B) The decisionmaking process regarding
16 both activation of reserve component forces and
17 deployment of those forces to the theater of oper-
18 ations.

19 (C) The post-activation training received by
20 such forces.

21 (D) The integration of forces and equipment
22 of reserve component forces into the active com-
23 ponent forces.

1 (E) *The use and performance of the reserve*
2 *component forces in operations in the theater of*
3 *operations.*

4 (F) *The use and performance of such forces*
5 *at duty stations outside the theater of operations.*

6 (11) *The role of the law of armed conflict in the*
7 *planning and execution of military operations by*
8 *United States forces and the other coalition forces and*
9 *the effects on operations of Iraqi compliance or non-*
10 *compliance with the law of armed conflict, including*
11 *a discussion regarding each of the following matters:*

12 (A) *Use of Iraqi civilians as human shields.*

13 (B) *Collateral damage and civilian casual-*
14 *ties.*

15 (C) *Treatment of prisoners of war.*

16 (D) *Repatriation of prisoners of war.*

17 (E) *Use of ruses and acts of perfidy.*

18 (F) *War crimes.*

19 (G) *Environmental terrorism.*

20 (H) *Conduct of neutral nations.*

21 (12) *The actions taken by the coalition forces in*
22 *anticipation of, and in response to, Iraqi acts of envi-*
23 *ronmental terrorism.*

1 (13) *The actions taken by the coalition forces in*
2 *anticipation of possible Iraqi use of weapons of mass*
3 *destruction.*

4 (14) *Evidence of Iraqi weapons of mass destruc-*
5 *tion programs and Iraqi preparations for the use of*
6 *such weapons.*

7 (15) *The contributions of United States and coa-*
8 *lition intelligence and counterintelligence systems and*
9 *personnel, including contributions regarding bomb*
10 *damage assessments and particularly including*
11 *United States tactical intelligence and related activi-*
12 *ties (TIARA) programs and the Joint Military Intel-*
13 *ligence Program (JMIP).*

14 (16) *Command, control, communications, and*
15 *operational security of the coalition forces as a whole,*
16 *and command, control, communications, and oper-*
17 *ational security of the United States forces.*

18 (17) *The rules of engagement for the coalition*
19 *forces.*

20 (18) *The actions taken to reduce the casualties*
21 *among coalition forces caused by the fire of such*
22 *forces.*

23 (19) *The role of supporting combatant com-*
24 *mands and Defense Agencies of the Department of De-*
25 *fense.*

1 (20) *The policies and procedures relating to the*
2 *media, including the use of embedded media.*

3 (21) *The assignment of roles and missions to the*
4 *United States forces and other coalition forces and the*
5 *performance of those forces in carrying out their as-*
6 *signed roles and missions.*

7 (22) *The preparedness, including doctrine and*
8 *training, of the United States forces.*

9 (23) *The acquisition of foreign military tech-*
10 *nology from Iraq, and any compromise of military*
11 *technology of the United States or other countries in*
12 *the multinational coalition.*

13 (24) *The problems posed by Iraqi possession and*
14 *use of equipment produced in the United States and*
15 *other coalition nations.*

16 (25) *The use of deception by Iraqi forces and by*
17 *coalition forces.*

18 (26) *The military criteria used to determine*
19 *when to progress from one phase of military oper-*
20 *ations to another phase of military operations.*

21 (27) *The role, if any, of the Status of Resources*
22 *and Training System (SORTS) in determining which*
23 *units would be employed during the operation.*

24 (28) *The role of the Coast Guard.*

1 *retary of Defense and the missions undertaken in Iraq by*
2 *United States military forces during the post-conflict pe-*
3 *riod. In particular, the report shall include a discussion*
4 *of the following:*

5 (1) *The evolution of the organizational structure*
6 *of the civilian groups reporting to the Secretary, in-*
7 *cluding the Office of Reconstruction and Humani-*
8 *tarian Assistance, on issues of Iraqi post-conflict ad-*
9 *ministration and reconstruction and the factors influ-*
10 *encing that evolution.*

11 (2) *The relationship of the Department of De-*
12 *fense with other United States departments and agen-*
13 *cies involved in post-conflict administration and re-*
14 *construction planning and execution in Iraq.*

15 (3) *The relationship of Department of Defense*
16 *entities, including the Office of Reconstruction and*
17 *Humanitarian Assistance, with intergovernmental*
18 *and nongovernmental organizations contributing to*
19 *the reconstruction and governance efforts.*

20 (4) *Progress made to the date of the report in—*

21 (A) *rebuilding Iraqi infrastructure;*

22 (B) *providing for the humanitarian needs*
23 *of the Iraqi people;*

24 (C) *reconstituting the Iraqi governmental*
25 *bureaucracy and its provision of services; and*

1 (D) *developing mechanisms of fully*
2 *transitioning Iraq to representative self-govern-*
3 *ment.*

4 (5) *Progress made to the date of the report by*
5 *Department of Defense civilians and military per-*
6 *sonnel in accounting for any Iraqi weapons of mass*
7 *destruction and associated weapons capabilities.*

8 (6) *Progress made to the date of the report by*
9 *United States military personnel in providing secu-*
10 *rity in Iraq and in transferring security functions to*
11 *a reconstituted Iraqi police force and military.*

12 (7) *The Secretary's assessment of the scope of the*
13 *ongoing needed commitment of United States mili-*
14 *tary forces and of the remaining tasks to be completed*
15 *by Department of Defense civilian personnel in the*
16 *governance and reconstruction areas, including an es-*
17 *timate of the total expenditures the Department of*
18 *Defense expects to make for activities in post-conflict*
19 *Iraq.*

20 **SEC. 1024. REPORT ON DEVELOPMENT OF MECHANISMS TO**
21 **BETTER CONNECT DEPARTMENT OF DEFENSE**
22 **SPACE CAPABILITIES TO THE WAR FIGHTER.**

23 *Not later than March 15, 2004, the Secretary of De-*
24 *fense shall submit to the congressional defense committees*
25 *a report on development and implementation of systematic*

1 *mechanisms to provide for integrating into activities of the*
2 *United States Strategic Command planning and require-*
3 *ments for connecting space capabilities of that command*
4 *with the war fighter.*

5 ***Subtitle D—Procurement of Defense***
6 ***Biomedical Countermeasures***

7 ***SEC. 1031. RESEARCH AND DEVELOPMENT OF DEFENSE***
8 ***BIOMEDICAL COUNTERMEASURES.***

9 (a) *IN GENERAL.*—*The Secretary of Defense (in this*
10 *section referred to as the “Secretary”) shall carry out a pro-*
11 *gram to accelerate the research, development and procure-*
12 *ment of biomedical countermeasures, including but not lim-*
13 *ited to therapeutics and vaccines, for the protection of the*
14 *Armed Forces from attack by one or more biological, chem-*
15 *ical, radiological, or nuclear agents.*

16 (b) *INTERAGENCY COOPERATION.*—(1) *In carrying out*
17 *the program under subsection (a), the Secretary may enter*
18 *into interagency agreements and other collaborative under-*
19 *takings with other Federal agencies. Under such agreements*
20 *and undertakings, the participating agencies are authorized*
21 *to provide funds and receive funds from other participating*
22 *agencies.*

23 (2) *The Secretary, in consultation with the Secretary*
24 *of Health and Human Services and the Secretary of Home-*
25 *land Security, shall ensure that the activities of the Depart-*

1 *ment of Defense in carrying out the program are coordi-*
2 *nated with, complement, and do not unnecessarily duplicate*
3 *activities of the Department of Health and Human Services*
4 *or the Department of Homeland Security.*

5 (c) *EXPEDITED PROCUREMENT AUTHORITY.—(1)(A)*
6 *For any procurement by the Secretary, of property or serv-*
7 *ices for use (as determined by the Secretary) in performing,*
8 *administering, or supporting biomedical countermeasures*
9 *research or development, the amount specified in section*
10 *4(11) of the Office of Federal Procurement Policy Act (41*
11 *U.S.C. 403(11)), as applicable pursuant to section 302A(a)*
12 *of the Federal Property and Administrative Services Act*
13 *of 1949 (41 U.S.C. 252a(a)), shall be deemed to be*
14 *\$25,000,000 in the administration, with respect to such*
15 *procurement, of sections 302A(b) (41 U.S.C. 252a(b)) and*
16 *303(g)(1)(A) (42 U.S.C. 253(g)(1)(A)) of the Federal Prop-*
17 *erty and Administrative Services Act of 1949 and the regu-*
18 *lations implementing those sections.*

19 (B) *The Secretary shall institute appropriate internal*
20 *controls for use of the authority under subparagraph (A),*
21 *including requirements for documenting the justification for*
22 *each use of such authority.*

23 (2)(A) *For a procurement described in paragraph (1),*
24 *the amount specified in subsections (c), (d), and (f) of sec-*
25 *tion 32 of the Office of Federal Procurement Policy Act (41*

1 *U.S.C. 428) shall be deemed to be \$15,000 in the adminis-*
2 *tration of that section with respect to such procurement.*

3 *(B) The Secretary shall institute appropriate internal*
4 *controls for each use of the authority under subparagraph*
5 *(A) for a procurement greater than \$2,500.*

6 *(d) FACILITIES AUTHORITY.—(1) The Secretary may*
7 *acquire, lease, construct, improve, renovate, remodel, repair,*
8 *operate, and maintain laboratories, other research facilities*
9 *and equipment, and other real or personal property that*
10 *the Secretary determines necessary for carrying out the pro-*
11 *gram under this section. The authority under this para-*
12 *graph is in addition to any other authority under law.*

13 *(2) The Secretary may exercise the authorities of para-*
14 *graph (1) as part of an interagency cooperation activity*
15 *under subsection (b).*

16 *(e) AUTHORITY FOR PERSONAL SERVICES CON-*
17 *TRACTS.—The authority provided by section 1091 of title*
18 *10, United States Code, for personal services contracts to*
19 *carry out health care responsibilities in medical treatment*
20 *facilities of the Department of Defense shall also be avail-*
21 *able, subject to the same terms and conditions, for personal*
22 *services contracts to carry out research and development ac-*
23 *tivities under this section. The number of individuals whose*
24 *personal services are obtained under this subsection may*
25 *not exceed 30 at any time.*

1 (f) *STREAMLINED PERSONNEL AUTHORITY.—(1)*
2 *Without regard to any provision of title 5, United States*
3 *Code, governing appointments in the competitive service,*
4 *and without regard to any provision of chapter 51, or sub-*
5 *chapter III of chapter 43, of such title relating to classifica-*
6 *tion and General Schedule pay rates, the Secretary may*
7 *appoint professional and technical employees, not to exceed*
8 *30 such employees at any time, to positions in the Depart-*
9 *ment of Defense to carry out research and development*
10 *under the program under this section. The authority under*
11 *this paragraph is in addition to any other authority under*
12 *law.*

13 (2) *The Secretary may use the authority under para-*
14 *graph (1) only upon a determination by the Secretary that*
15 *use of such authority is necessary to accelerate the research*
16 *and development under the program.*

17 (3) *The Secretary shall institute appropriate internal*
18 *controls for each use of the authority under paragraph (1).*

19 **SEC. 1032. PROCUREMENT OF DEFENSE BIOMEDICAL COUN-**
20 **TERMEASURES.**

21 (a) *DETERMINATION OF MATERIAL THREATS.—(1)*
22 *The Secretary of Defense (in this section referred to as the*
23 *“Secretary”), in consultation with the Secretary of Health*
24 *and Human Services and the Secretary of Homeland Secu-*
25 *rity shall on an ongoing basis—*

1 (A) assess current and emerging threats of use of
2 biological, chemical, radiological, and nuclear agents;
3 and

4 (B) identify, on the basis of such assessment,
5 those agents that present a material risk of use
6 against the Armed Forces.

7 (2) The Secretary, in consultation with the Secretary
8 of Health and Human Services and the Secretary of Home-
9 land Security, shall on an ongoing basis—

10 (A) assess the potential consequences to the
11 health of members of the Armed Forces of use against
12 the Armed Forces of the agents identified under para-
13 graph (1)(B); and

14 (B) identify, on the basis of such assessment,
15 those agents for which countermeasures are necessary
16 to protect the health of members of the Armed Forces.

17 (b) ASSESSMENT OF AVAILABILITY AND APPROPRIATE-
18 NESS OF COUNTERMEASURES.—The Secretary, in consulta-
19 tion with the Secretary of Health and Human Services and
20 the Secretary of Homeland Security, shall on an ongoing
21 basis assess the availability and appropriateness of specific
22 countermeasures to address specific threats identified under
23 subsection (a).

24 (c) SECRETARY'S DETERMINATION OF COUNTER-
25 MEASURES APPROPRIATE FOR PROCUREMENT.—(1) The

1 *Secretary, in accordance with paragraph (2), shall on an*
2 *ongoing basis identify specific countermeasures that the*
3 *Secretary determines to be appropriate for procurement for*
4 *the Department of Defense stockpile of biomedical counter-*
5 *measures.*

6 (2) *The Secretary may not identify a specific counter-*
7 *measure under paragraph (1) unless the Secretary deter-*
8 *mines that—*

9 (A) *the countermeasure is a qualified counter-*
10 *measure; and*

11 (B) *it is reasonable to expect that producing and*
12 *delivering, within 5 years, the quantity of that coun-*
13 *termeasure required to meet the needs of the Depart-*
14 *ment (as determined by the Secretary) is feasible.*

15 (d) *DEFINITIONS.—In this section:*

16 (1) *The term “qualified countermeasure” means*
17 *a biomedical countermeasure—*

18 (A) *that is approved under section 505(a) of*
19 *the Federal Food, Drug, and Cosmetic Act (21*
20 *U.S.C. 355) or licensed under section 351 of the*
21 *Public Health Service Act (42 U.S.C. 262), or*
22 *that is approved under section 515 or cleared*
23 *under section 510(k) of the Federal Food, Drug,*
24 *and Cosmetic Act (21 U.S.C. 360e and 360) for*
25 *use as such a countermeasure to a biological,*

1 *chemical, radiological, or nuclear agent identi-*
2 *fied as a material threat under subsection (a); or*
3 *(B) with respect to which the Secretary, in*
4 *consultation with the Secretary of Health and*
5 *Human Services, makes a determination that*
6 *sufficient and satisfactory clinical experience or*
7 *research data (including data, if available, from*
8 *preclinical and clinical trials) exists to support*
9 *a reasonable conclusion that the product will,*
10 *not later than 5 years after the date on which*
11 *the Secretary identifies the product under sub-*
12 *section (c)(1), qualify for such approval or li-*
13 *censing for use as such a countermeasure.*

14 (2) *The term “biomedical countermeasure”*
15 *means a drug (as defined in section 201(g)(1) of the*
16 *Federal Food, Drug, and Cosmetic Act (21 U.S.C.*
17 *321(g)(1))), device (as defined in section 201(h) of the*
18 *Federal Food, Drug, and Cosmetic Act (21 U.S.C.*
19 *321(h))), or biological product (as defined in section*
20 *351(i) of the Public Health Service Act (42 U.S.C.*
21 *262(i)) that is—*

22 (A) *used to treat, identify, or prevent harm*
23 *from any biological, chemical, radiological, or*
24 *nuclear agent that may cause a military health*
25 *emergency affecting the Armed Forces; or*

1 (B) used to treat, identify, or prevent harm
2 from a condition that may result in adverse
3 health consequences or death and may be caused
4 by administering a drug or biological product
5 that is used as described in subparagraph (A).

6 (e) *FUNDING.*—(1) *Of the amount authorized to be ap-*
7 *propriated for the Department of Defense and available*
8 *within the transfer authority established under section 1001*
9 *of this Act for fiscal year 2004 and for each fiscal year*
10 *thereafter, such sums are authorized as may be necessary*
11 *for the costs incurred by the Secretary in the procurement*
12 *of countermeasures under this section, subject to paragraph*
13 *(2).*

14 (2) *Amounts authorized to be appropriated under*
15 *paragraph (1) shall not be available to pay—*

16 (A) *costs for the purchase of vaccines under pro-*
17 *curement contracts entered into before January 1,*
18 *2003;*

19 (B) *costs under new contracts, or costs of new ob-*
20 *ligations under contracts previously entered into, for*
21 *procurement of a countermeasure after the date of a*
22 *determination under subsection (c)(2)(D) that the*
23 *countermeasure does have a significant commercial*
24 *market other than as a biomedical countermeasure; or*

25 (C) *administrative costs.*

1 **SEC. 1033. AUTHORIZATION FOR USE OF MEDICAL PROD-**
2 **UCTS IN EMERGENCIES.**

3 (a) *USE OF MEDICAL PRODUCTS AUTHORIZED.*—Dur-
4 *ing the period in which a declaration of emergency under*
5 *subsection (b) is in effect, the Secretary of Defense, in ac-*
6 *cordance with this section, may authorize the use on mem-*
7 *bers of the Armed Forces of a drug or device intended solely*
8 *for use in an actual or potential emergency.*

9 (b) *DECLARATION OF EMERGENCY.*—(1) *A declaration*
10 *of emergency referred to in subsection (a) is a declaration*
11 *by the Secretary of Defense that there exists a military*
12 *emergency, or a significant potential for a military emer-*
13 *gency, involving a heightened risk to the Armed Forces of*
14 *attack by one or more biological, chemical, radiological, or*
15 *nuclear agents.*

16 (2) *Subject to paragraph (3), the period during which*
17 *a declaration of emergency under this subsection is in effect*
18 *begins upon the making of the declaration and ends upon*
19 *the first to occur of the following events:*

20 (A) *The making of a determination by the Sec-*
21 *retary that the military emergency, or the significant*
22 *potential for a military emergency, has ceased to*
23 *exist.*

24 (B) *The expiration of the one-year period begin-*
25 *ning on the date on which the declaration of emer-*
26 *gency is made.*

1 (3) *Before the expiration of the period during which*
2 *a declaration of emergency is in effect, the Secretary may*
3 *declare one or more extensions of that declaration of emer-*
4 *gency. In such a case, the date on which the most recent*
5 *extension was declared shall be treated for purposes of sub-*
6 *section (2)(B) as the date on which the declaration of emer-*
7 *gency is made.*

8 (c) *CRITERIA FOR ISSUANCE OF AUTHORIZATION.—*
9 *The Secretary, in consultation with the Secretary of Health*
10 *and Human Services, may use the authority under sub-*
11 *section (a) with respect to a biomedical countermeasure*
12 *only if the Secretary make a determination that—*

13 (1) *an agent to which a declaration of emergency*
14 *under subsection (b) relates can cause a serious or*
15 *life-threatening disease or condition;*

16 (2) *based on the totality of scientific evidence*
17 *available to the Secretary, including data from ade-*
18 *quate and well-controlled clinical trials, if available,*
19 *it is reasonable to believe that—*

20 (A) *such countermeasure may be effective in*
21 *detecting, diagnosing, treating, or preventing*
22 *such disease or condition; or*

23 (B) *the known and potential benefits of such*
24 *countermeasure, when used to detect, diagnose,*
25 *treat, or prevent such disease or condition, out-*

1 *weigh the known and potential risks of such*
2 *countermeasure;*

3 (3) *no adequate, approved, and available alter-*
4 *native exists to such countermeasure for detecting, di-*
5 *agnosing, treating, or preventing such disease or con-*
6 *dition; and*

7 (4) *such other criteria as the Secretary may by*
8 *regulation prescribe are satisfied.*

9 (d) *SCOPE OF AUTHORIZATION.—For each use of the*
10 *authority under subsection (a), the Secretary, in consulta-*
11 *tion with the Secretary of Health and Human Services,*
12 *shall—*

13 (1) *specify each disease or condition that the bio-*
14 *logical countermeasure may be used to detect, diag-*
15 *nose, treat, or prevent; and*

16 (2) *set forth each determination under subsection*
17 *(c) with respect to that countermeasure and the basis*
18 *for each such determination.*

19 (e) *CONDITION.—In carrying out this section, the Sec-*
20 *retary shall ensure compliance with section 1107 of title*
21 *10, United States Code, and section 731(a)(3) of the Strom*
22 *Thurmond National Defense Authorization Act for Fiscal*
23 *Year 1999 (Public Law 105–261; 112 Stat. 2071; 10 U.S.C.*
24 *1107 note).*

1 **Subtitle E—Other Matters**

2 **SEC. 1041. CODIFICATION AND REVISION OF DEFENSE**
3 **COUNTERINTELLIGENCE POLYGRAPH PRO-**
4 **GRAM AUTHORITY.**

5 (a) *CODIFICATION.*—(1) Chapter 21 of title 10, United
6 States Code, is amended by inserting after section 425 the
7 following new section:

8 **“§ 426. Counterintelligence polygraph program**

9 “(a) *AUTHORITY FOR PROGRAM.*—The Secretary of
10 Defense may carry out a program for the administration
11 of counterintelligence polygraph examinations to persons
12 described in subsection (b). The program shall be based on
13 Department of Defense Directive 5210.48, dated December
14 24, 1984.

15 “(b) *PERSONS COVERED.*—Except as provided in sub-
16 section (c), the following persons whose duties involve access
17 to information that has been classified at the level of top
18 secret or designated as being within a special access pro-
19 gram under section 4.4(a) of Executive Order 12958 (or a
20 successor Executive order) are subject to this section:

21 “(1) Military and civilian personnel of the De-
22 partment of Defense.

23 “(2) Personnel of defense contractors.

24 “(3) A person assigned or detailed to the Depart-
25 ment of Defense.

1 “(4) *An applicant for a position in the Depart-*
2 *ment of Defense.*

3 “(c) *EXCEPTIONS FROM COVERAGE FOR CERTAIN IN-*
4 *TELLIGENCE AGENCIES AND FUNCTIONS.—This section does*
5 *not apply to the following persons:*

6 “(1) *A person assigned or detailed to the Central*
7 *Intelligence Agency or to an expert or consultant*
8 *under a contract with the Central Intelligence Agen-*
9 *cy.*

10 “(2) *A person who is—*

11 “(A) *employed by or assigned or detailed to*
12 *the National Security Agency;*

13 “(B) *an expert or consultant under contract*
14 *to the National Security Agency;*

15 “(C) *an employee of a contractor of the Na-*
16 *tional Security Agency; or*

17 “(D) *a person applying for a position in*
18 *the National Security Agency.*

19 “(3) *A person assigned to a space where sensitive*
20 *cryptographic information is produced, processed, or*
21 *stored.*

22 “(4) *A person employed by, or assigned or de-*
23 *tailed to, an office within the Department of Defense*
24 *for the collection of specialized national foreign intel-*

1 *ligence through reconnaissance programs or a con-*
2 *tractor of such an office.*

3 “(d) *OVERSIGHT.—(1) The Secretary shall establish a*
4 *process to monitor responsible and effective application of*
5 *polygraphs within the Department of Defense.*

6 “(2) *The Secretary shall make information on the use*
7 *of polygraphs within the Department of Defense available*
8 *to the congressional defense committees.*

9 “(e) *POLYGRAPH RESEARCH PROGRAM.—The Sec-*
10 *retary of Defense shall carry out a continuing research pro-*
11 *gram to support the polygraph activities of the Department*
12 *of Defense. The program shall include—*

13 “(1) *an on-going evaluation of the validity of*
14 *polygraph techniques used by the Department;*

15 “(2) *research on polygraph countermeasures and*
16 *anti-countermeasures; and*

17 “(3) *developmental research on polygraph tech-*
18 *niques, instrumentation, and analytic methods.”.*

19 (2) *The table of sections at the beginning of subchapter*
20 *I of such chapter is amended by adding at the end the fol-*
21 *lowing new item:*

 “426. *Counterintelligence polygraph program.”.*

22 (b) *CONFORMING REPEAL.—Section 1121 of the Na-*
23 *tional Defense Authorization Act for Fiscal Years 1988 and*
24 *1989 (10 U.S.C. 113 note), is repealed.*

1 (c) *EFFECTIVE DATE.*—*The amendments made by this*
2 *section shall take effect on October 1, 2003.*

3 **SEC. 1042. CODIFICATION AND REVISION OF LIMITATION**
4 **ON MODIFICATION OF MAJOR ITEMS OF**
5 **EQUIPMENT SCHEDULED FOR RETIREMENT**
6 **OR DISPOSAL.**

7 (a) *IN GENERAL.*—(1) *Chapter 134 of title 10, United*
8 *States Code, is amended by inserting after section 2244 the*
9 *following new section:*

10 **“§2244a. Equipment scheduled for retirement or dis-**
11 **posal: limitation on expenditures for**
12 **modifications**

13 “(a) *PROHIBITION.*—*Except as otherwise provided in*
14 *this section, the Secretary of a military department may*
15 *not carry out a significant modification of an aircraft,*
16 *weapon, vessel, or other item of equipment that the Sec-*
17 *retary plans to retire or otherwise dispose of within five*
18 *years after the date on which the modification, if carried*
19 *out, would be completed.*

20 “(b) *SIGNIFICANT MODIFICATIONS DEFINED.*—*For*
21 *purposes of this section, a significant modification is any*
22 *modification for which the cost is in an amount equal to*
23 *or greater than \$1,000,000.*

1 “(A) *the Committee on Armed Services and*
2 *the Committee on Appropriations of the Senate;*
3 *and*

4 “(B) *the Committee on Armed Services and*
5 *the Committee on Appropriations of the House of*
6 *Representatives.*

7 “(17) *The term ‘base closure law’ means the fol-*
8 *lowing:*

9 “(A) *Section 2687 of this title.*

10 “(B) *The Defense Base Closure and Re-*
11 *alignment Act of 1990 (part A of title XXIX of*
12 *Public Law 101–510; 10 U.S.C. 2687 note).*

13 “(C) *Title II of the Defense Authorization*
14 *Amendments and Base Closure and Realignment*
15 *Act (Public Law 100–526; 10 U.S.C. 2687 note).*

16 **(b) REFERENCES TO CONGRESSIONAL DEFENSE COM-**
17 **MITTEES.**—*Title 10, United States Code, is further amend-*
18 *ed as follows:*

19 **(1) Section 135(e) is amended—**

20 **(A) by striking “(1)”;**

21 **(B) by striking “each congressional com-**
22 **mittee specified in paragraph (2)” and inserting**
23 **“each of the congressional defense committees”;**

24 **and**

25 **(C) by striking paragraph (2).**

1 (2) *Section 153(c) is amended—*

2 (A) *by striking “committees of Congress*
3 *named in paragraph (2)” and inserting “con-*
4 *gressional defense committees”;*

5 (B) *by striking paragraph (2); and*

6 (C) *by designating the second sentence of*
7 *paragraph (1) as paragraph (2) and in that*
8 *paragraph (as so designated) by striking “The*
9 *report” and inserting “Each report under para-*
10 *graph (1)”.*

11 (3) *Section 181(d)(2) is amended—*

12 (A) *by striking “subsection:” and all that*
13 *follows through “oversight” and inserting “sub-*
14 *section, the term ‘oversight’; and*

15 (B) *by striking subparagraph (B).*

16 (4) *Section 224 is amended by striking sub-*
17 *section (f).*

18 (5) *Section 228(e) is amended—*

19 (A) *by striking “DEFINITIONS” and all that*
20 *follows through “(1) The term” and inserting*
21 *“O&M BUDGET ACTIVITY DEFINED.—In this sec-*
22 *tion, the term”;* and

23 (B) *by striking paragraph (2).*

24 (6) *Section 229 is amended by striking sub-*
25 *section (f).*

1 (7) Section 1107(f)(4) is amended by striking
2 subparagraph (C).

3 (8) Section 2216(j) is amended by striking para-
4 graph (3).

5 (9) Section 2218(l) is amended—

6 (A) by striking paragraph (4); and

7 (B) by redesignating paragraph (5) as
8 paragraph (4).

9 (10) Section 2306b(l) is amended—

10 (A) by striking paragraph (9); and

11 (B) by redesignating paragraph (10) as
12 paragraph (9).

13 (11) Section 2308(e)(2) is amended—

14 (A) by striking subparagraph (A); and

15 (B) by redesignating subparagraphs (B)
16 and (C) as subparagraphs (A) and (B), respec-
17 tively.

18 (12) Section 2366(e) is amended—

19 (A) by striking paragraph (7); and

20 (B) by redesignating paragraphs (8) and
21 (9) as paragraphs (7) and (8), respectively.

22 (13) Section 2399(h) is amended—

23 (A) by striking “DEFINITIONS.—” and all
24 that follows through “(1) The term” and insert-

1 ing “*OPERATIONAL TEST AND EVALUATION DE-*
2 *FINED.—In this section, the term*”;

3 (B) *by striking paragraph (2)*;

4 (C) *by redesignating subparagraphs (A),*
5 *(B), and (C) as paragraphs (1), (2), and (3), re-*
6 *spectively; and*

7 (D) *by realigning those paragraphs (as so*
8 *redesignated) so as to be indented two ems from*
9 *the left margin.*

10 (14) *Section 2667(h) is amended by striking*
11 *paragraph (1).*

12 (15) *Section 2688(e)(1) is amended by striking*
13 *“the Committee on” the first place it appears and all*
14 *that follows through “House of Representatives” and*
15 *inserting “the congressional defense committees”.*

16 (16) *Section 2801(c)(4) is amended by striking*
17 *“the Committee on” the first place it appears and all*
18 *that follows through “House of Representatives” and*
19 *inserting “the congressional defense committees”.*

20 (c) *REFERENCES TO BASE CLOSURE LAWS.—Title 10,*
21 *United States Code, is further amended as follows:*

22 (1) *Section 2306c(h) is amended by striking*
23 *“ADDITIONAL” and all that follows through “(2) The*
24 *term” and inserting “MILITARY INSTALLATION DE-*
25 *FINED.—In this section, the term”.*

1 (2) *Section 2490a(f) is amended—*

2 (A) *by striking “DEFINITIONS.—” and all*
3 *that follows through “(1) The term” and insert-*
4 *ing “NONAPPROPRIATED FUND INSTRUMEN-*
5 *TALITY DEFINED.—In this section, the term”;*
6 *and*

7 (B) *by striking paragraph (2).*

8 (3) *Section 2667(h), as amended by subsection*
9 *(b)(13), is further amended by striking “section:” and*
10 *all that follows through “(3) The term” and inserting*
11 *“section, the term”.*

12 (4) *Section 2696(e) is amended—*

13 (A) *by striking paragraphs (1), (2), (3),*
14 *and (4) and inserting the following:*

15 (1) *A base closure law.”; and*

16 (B) *by redesignating paragraph (6) as*
17 *paragraph (2).*

18 (4) *Section 2705 is amended by striking sub-*
19 *section (h).*

20 (5) *Section 2871 is amended by striking para-*
21 *graph (2).*

1 **SEC. 1044. INCLUSION OF ANNUAL MILITARY CONSTRUC-**
2 **TION AUTHORIZATION REQUEST IN ANNUAL**
3 **DEFENSE AUTHORIZATION REQUEST.**

4 (a) *INCLUSION OF MILITARY CONSTRUCTION RE-*
5 *QUEST.—Section 113a(b) of title 10, United States Code,*
6 *is amended—*

7 (1) *by redesignating paragraph (3) as para-*
8 *graph (4); and*

9 (2) *by inserting after paragraph (2) the fol-*
10 *lowing new paragraph (3):*

11 “(3) *Authority to carry out military construc-*
12 *tion projects, as required by section 2802 of this*
13 *title.”.*

14 (b) *REPEAL OF SEPARATE TRANSMISSION OF RE-*
15 *QUEST.—(1) Section 2859 of such title is repealed.*

16 (2) *The table of sections at the beginning of subchapter*
17 *III of chapter 169 of such title is amended by striking the*
18 *item relating to section 2859.*

19 **SEC. 1045. TECHNICAL AND CLERICAL AMENDMENTS.**

20 (a) *TITLE 10, UNITED STATES CODE.—Title 10,*
21 *United States Code, is amended as follows:*

22 (1) *The tables of chapters at the beginning of*
23 *subtitle A, and at the beginning of part IV of subtitle*
24 *A, are amended by striking “2701” in the item relat-*
25 *ing to chapter 160 and inserting “2700”.*

1 (2) *Section 101(a)(9)(D) is amended by striking*
2 *“Transportation” and inserting “Homeland Secu-*
3 *rity”.*

4 (3) *Section 2002(a)(2) is amended by striking*
5 *“Foreign Service Institute” and inserting “George P.*
6 *Schultz National Foreign Affairs Training Center”.*

7 (4)(A) *Section 2248 is repealed.*

8 (B) *The table of sections at the beginning of*
9 *chapter 134 is amended by striking the item relating*
10 *to section 2248.*

11 (5) *Section 2305a(c) is amended by striking “the*
12 *Brooks Architect-Engineers Act (40 U.S.C. 541 et*
13 *seq.)” and inserting “chapter 11 of title 40”.*

14 (6) *Section 2432(h)(1) is amended by inserting*
15 *“program” in the first sentence after “for such”.*

16 (7) *Section 7503(d) is amended by inserting*
17 *“such” before “title III.”*

18 (b) *TITLE 37, UNITED STATES CODE.—Title 37,*
19 *United States Code, is amended as follows:*

20 (1) *Section 323(a) is amended by striking “1*
21 *year” in paragraphs (1) and (2) and inserting “one*
22 *year”.*

23 (2) *Section 402(b) is amended—*

24 (A) *by striking paragraph (1); and*

1 (B) in paragraph (2), by striking “On and
2 after January 1, 2002, the” and inserting “The”.

3 (c) *FLOYD D. SPENCE NATIONAL DEFENSE*
4 *AUTHORIZATON ACT FOR FISCAL YEAR 2001.—The Floyd*
5 *D. Spence National Defense Authorization Act for Fiscal*
6 *Year 2001 (as enacted into law by Public Law 106–398)*
7 *is amended as follows:*

8 (1) *Section 1308(c) (22 U.S.C. 5959) is amend-*
9 *ed—*

10 (A) *by redesignating paragraph (7) as*
11 *paragraph (8); and*

12 (B) *by redesignating the second paragraph*
13 *(6) as paragraph (7).*

14 (2) *Section 814 (10 U.S.C. 1412 note) is amend-*
15 *ed in subsection (d)(1) by striking “the Clinger-Cohen*
16 *Act of 1996 (divisions D and E of Public Law 104–*
17 *106)” and inserting “subtitle III of title 40, United*
18 *States Code”.*

19 (d) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*
20 *FISCAL YEAR 2000.—Section 1305 of the National Defense*
21 *Authorization Act for Fiscal Year 2000 (Public Law 106–*
22 *65; 22 U.S.C. 5952 note) is amended by striking the second*
23 *period at the end.*

24 (e) *STROM THURMOND NATIONAL DEFENSE AUTHOR-*
25 *IZATION ACT FOR FISCAL YEAR 1999.—Section 819 of the*

1 *Strom Thurmond National Defense Authorization Act for*
2 *Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2089)*
3 *is amended by striking “section 201(c) of the Federal Prop-*
4 *erty and Administrative Services Act of 1949 (40 U.S.C.*
5 *481(c)),” and inserting “section 503 of title 40, United*
6 *States Code,”.*

7 (f) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*
8 *FISCAL YEAR 1997.—Section 1084(e) of the National De-*
9 *fense Authorization Act for Fiscal Year 1997 (Public Law*
10 *104–201; 110 Stat. 2675) is amended by striking “98–515”*
11 *and inserting “98–525”. The amendment made by the pre-*
12 *ceding sentence shall take effect as if included in Public*
13 *Law 104–201.*

14 (g) *FEDERAL ACQUISITION STREAMLINING ACT OF*
15 *1994.—Subsection (d) of section 1004 of the Federal Acquisi-*
16 *tion Streamlining Act of 1994 (Public Law 103–355; 108*
17 *Stat, 3253) is amended by striking “under—” and all that*
18 *follows through the end of paragraph (2) and inserting*
19 *“under chapter 11 of title 40, United States Code.”.*

20 (h) *ARMED FORCES RETIREMENT HOME ACT OF*
21 *1991.—Section 1520(b)(1)(C) of the Armed Forces Retire-*
22 *ment Home Act of 1991 (24 U.S.C. 420(b)(1)(C)) is amend-*
23 *ed by inserting “Armed Forces” before “Retirement Home*
24 *Trust Fund”.*

1 **SEC. 1046. AUTHORITY TO PROVIDE LIVING QUARTERS FOR**
2 **CERTAIN STUDENTS IN COOPERATIVE AND**
3 **SUMMER EDUCATION PROGRAMS OF THE NA-**
4 **TIONAL SECURITY AGENCY.**

5 *Section 2195 of title 10, United States Code, is amend-*
6 *ed by adding at the end the following new subsection:*

7 *“(d)(1) The Director of the National Security Agency*
8 *may provide a qualifying employee of a defense laboratory*
9 *of that Agency with living quarters at no charge, or at a*
10 *rate or charge prescribed by the Director by regulation,*
11 *without regard to section 5911(c) of title 5.*

12 *“(2) In this subsection, the term ‘qualifying employee’*
13 *means a student who is employed at the National Security*
14 *Agency under—*

15 *“(A) a Student Educational Employment Pro-*
16 *gram of the Agency conducted under this section or*
17 *any other provision of law; or*

18 *“(B) a similar cooperative or summer education*
19 *program of the Agency that meets the criteria for Fed-*
20 *eral cooperative or summer education programs pre-*
21 *scribed by the Office of Personnel Management.”.*

22 **SEC. 1047. USE OF DRUG INTERDICTION AND COUNTER-**
23 **DRUG FUNDS TO SUPPORT ACTIVITIES OF**
24 **THE GOVERNMENT OF COLOMBIA.**

25 *(a) AUTHORITY TO PROVIDE ASSISTANCE.—During*
26 *fiscal years 2004 and 2005, the Secretary of Defense may*

1 *use funds made available to the Department of Defense for*
2 *drug interdiction and counter-drug activities to provide as-*
3 *sistance to the Government of Colombia—*

4 (1) *to support a unified campaign against nar-*
5 *cotics trafficking in Colombia;*

6 (2) *to support a unified campaign against ac-*
7 *tivities by designated terrorist organizations, such as*
8 *the Revolutionary Armed Forces of Colombia (FARC),*
9 *the National Liberation Army (ELN), and the United*
10 *Self-Defense Forces of Colombia (AUC); and*

11 (3) *to take actions to protect human health and*
12 *welfare in emergency circumstances, including under-*
13 *taking rescue operations.*

14 (b) *RELATION TO OTHER ASSISTANCE AUTHORITY.—*
15 *The authority provided by subsection (a) is in addition to*
16 *other provisions of law authorizing the provision of assist-*
17 *ance to the Government of Colombia.*

18 **SEC. 1048. AUTHORITY FOR JOINT TASK FORCES TO PRO-**
19 **VIDE SUPPORT TO LAW ENFORCEMENT AGEN-**
20 **CIES CONDUCTING COUNTER-TERRORISM AC-**
21 **TIVITIES.**

22 (a) *AUTHORITY.—A joint task force of the Department*
23 *of Defense that provides support to law enforcement agen-*
24 *cies conducting counter-drug activities may also provide,*
25 *consistent with all applicable laws and regulations, support*

1 *to law enforcement agencies conducting counter-terrorism*
2 *activities.*

3 (b) *CONDITIONS.—Any support provided under sub-*
4 *section (a) may only be provided in the geographic area*
5 *of responsibility of the joint task force.*

6 **SEC. 1049. USE OF NATIONAL DRIVER REGISTER FOR PER-**
7 **SONNEL SECURITY INVESTIGATIONS AND DE-**
8 **TERMINATIONS.**

9 *Section 30305(b) of title 49, United States Code, is*
10 *amended—*

11 (1) *by redesignating paragraphs (9) through (11)*
12 *as paragraphs (10) through (12), respectively; and*

13 (2) *by inserting after paragraph (8) the fol-*
14 *lowing new paragraph:*

15 “(9) *An individual who is being investigated for—*

16 (A) *eligibility for access to a particular level of*
17 *classified information for purposes of Executive Order*
18 *12968, or any successor Executive order; or*

19 (B) *Federal employment under authority of Ex-*
20 *ecutive Order 10450, or any successor Executive*
21 *order,*

22 *may request the chief driver licensing official of a State to*
23 *provide information about the individual pursuant to sub-*
24 *section (a) of this section to a Federal department or agency*
25 *that is authorized to investigate the individual for the pur-*

1 *pose of assisting in the determination of the eligibility of*
2 *the individual for access to classified information or for*
3 *Federal employment. A Federal department or agency that*
4 *receives such information about an individual may use it*
5 *in accordance with applicable law. Information may not*
6 *be obtained from the Register under this paragraph if the*
7 *information was entered in the Register more than 3 years*
8 *before the request, unless the information is about a revoca-*
9 *tion or suspension still in effect on the date of the request.”.*

10 ***SEC. 1050. PROTECTION OF OPERATIONAL FILES OF THE***
11 ***NATIONAL SECURITY AGENCY.***

12 *The National Security Agency Act of 1959 (50 U.S.C.*
13 *402 note) is amended by adding at the end the following*
14 *new section:*

15 *“SEC. 19. (a) EXEMPTION OF CERTAIN OPERATIONAL*
16 *FILES FROM SEARCH, REVIEW, PUBLICATION, OR DISCLO-*
17 *SURE.—(1) The Director of the National Security Agency,*
18 *with the coordination of the Director of Central Intelligence,*
19 *may exempt operational files of the National Security*
20 *Agency from the provisions of section 552 of title 5, United*
21 *States Code, which require publication, disclosure, search,*
22 *or review in connection therewith.*

23 *“(2)(A) Subject to subparagraph (B), for the purposes*
24 *of this section, the term ‘operational files’ means files of*
25 *the National Security Agency that document the means by*

1 *which foreign intelligence or counterintelligence is collected*
2 *through technical systems.*

3 “(B) *Files that contain disseminated intelligence are*
4 *not operational files.*

5 “(3) *Notwithstanding paragraph (1), exempted oper-*
6 *ational files shall continue to be subject to search and review*
7 *for information concerning—*

8 “(A) *United States citizens or aliens lawfully*
9 *admitted for permanent residence who have requested*
10 *information on themselves pursuant to the provisions*
11 *of section 552 of title 5 or section 552a of title 5,*
12 *United States Code;*

13 “(B) *any special activity the existence of which*
14 *is not exempt from disclosure under the provisions of*
15 *section 552 of title 5, United States Code; or*

16 “(C) *the specific subject matter of an investiga-*
17 *tion by any of the following for any impropriety, or*
18 *violation of law, Executive order, or Presidential di-*
19 *rective, in the conduct of an intelligence activity:*

20 “(i) *The Permanent Select Committee on*
21 *Intelligence of the House of Representatives.*

22 “(ii) *The Select Committee on Intelligence*
23 *of the Senate.*

24 “(iii) *The Intelligence Oversight Board.*

25 “(iv) *The Department of Justice.*

1 “(v) *The Office of General Counsel of the*
2 *National Security Agency.*

3 “(vi) *The Office of the Director of the Na-*
4 *tional Security Agency.*

5 “(4)(A) *Files that are not exempted under paragraph*
6 *(1) which contain information derived or disseminated*
7 *from exempted operational files shall be subject to search*
8 *and review.*

9 “(B) *The inclusion of information from exempted oper-*
10 *ational files in files that are not exempted under paragraph*
11 *(1) shall not affect the exemption under paragraph (1) of*
12 *the originating operational files from search, review, publi-*
13 *cation, or disclosure.*

14 “(C) *The declassification of some of the information*
15 *contained in exempted operational files shall not affect the*
16 *status of the operational file as being exempt from search,*
17 *review, publication, or disclosure.*

18 “(D) *Records from exempted operational files which*
19 *have been disseminated to and referenced in files that are*
20 *not exempted under paragraph (1) and which have been*
21 *returned to exempted operational files for sole retention*
22 *shall be subject to search and review.*

23 “(5) *The provisions of paragraph (1) may not be su-*
24 *perseded except by a provision of law which is enacted after*

1 *the date of the enactment of this section, and which specifi-*
2 *cally cites and repeals or modifies its provisions.*

3 “(6)(A) *Except as provided in subparagraph (B),*
4 *whenever any person who has requested agency records*
5 *under section 552 of title 5, United States Code, alleges that*
6 *the National Security Agency has withheld records improv-*
7 *erly because of failure to comply with any provision of this*
8 *section, judicial review shall be available under the terms*
9 *set forth in section 552(a)(4)(B) of title 5, United States*
10 *Code.*

11 “(B) *Judicial review shall not be available in the man-*
12 *ner provided for under subparagraph (A) as follows:*

13 “(i) *In any case in which information specifi-*
14 *cally authorized under criteria established by an Ex-*
15 *ecutive order to be kept secret in the interests of na-*
16 *tional defense or foreign relations which is filed with,*
17 *or produced for, the court by the National Security*
18 *Agency, such information shall be examined ex parte,*
19 *in camera by the court.*

20 “(ii) *The court shall, to the fullest extent prac-*
21 *ticable, determine the issues of fact based on sworn*
22 *written submissions of the parties.*

23 “(iii) *When a complainant alleges that requested*
24 *records are improperly withheld because of improper*
25 *placement solely in exempted operational files, the*

1 *complainant shall support such allegation with a*
2 *sworn written submission based upon personal knowl-*
3 *edge or otherwise admissible evidence.*

4 *“(iv)(I) When a complainant alleges that re-*
5 *quested records were improperly withheld because of*
6 *improper exemption of operational files, the National*
7 *Security Agency shall meet its burden under section*
8 *552(a)(4)(B) of title 5, United States Code, by dem-*
9 *onstrating to the court by sworn written submission*
10 *that exempted operational files likely to contain re-*
11 *sponsive records currently perform the functions set*
12 *forth in paragraph (2).*

13 *“(II) The court may not order the National Se-*
14 *curity Agency to review the content of any exempted*
15 *operational file or files in order to make the dem-*
16 *onstration required under subclause (I), unless the*
17 *complainant disputes the National Security Agency’s*
18 *showing with a sworn written submission based on*
19 *personal knowledge or otherwise admissible evidence.*

20 *“(v) In proceedings under clauses (iii) and (iv),*
21 *the parties may not obtain discovery pursuant to*
22 *rules 26 through 36 of the Federal Rules of Civil Pro-*
23 *cedure, except that requests for admission may be*
24 *made pursuant to rules 26 and 36.*

1 “(vi) If the court finds under this paragraph
2 that the National Security Agency has improperly
3 withheld requested records because of failure to com-
4 ply with any provision of this subsection, the court
5 shall order the Agency to search and review the ap-
6 propriate exempted operational file or files for the re-
7 quested records and make such records, or portions
8 thereof, available in accordance with the provisions of
9 section 552 of title 5, United States Code, and such
10 order shall be the exclusive remedy for failure to com-
11 ply with this subsection.

12 “(vii) If at any time following the filing of a
13 complaint pursuant to this paragraph the National
14 Security Agency agrees to search the appropriate ex-
15 empted operational file or files for the requested
16 records, the court shall dismiss the claim based upon
17 such complaint.

18 “(viii) Any information filed with, or produced
19 for the court pursuant to clauses (i) and (iv) shall be
20 coordinated with the Director of Central Intelligence
21 prior to submission to the court.

22 “(b) *DECENNIAL REVIEW OF EXEMPTED OPER-*
23 *ATIONAL FILES.*—(1) Not less than once every 10 years, the
24 Director of the National Security Agency and the Director
25 of Central Intelligence shall review the exemptions in force

1 *under subsection (a)(1) to determine whether such exemp-*
2 *tions may be removed from the category of exempted files*
3 *or any portion thereof. The Director of Central Intelligence*
4 *must approve any determination to remove such exemp-*
5 *tions.*

6 “(2) *The review required by paragraph (1) shall in-*
7 *clude consideration of the historical value or other public*
8 *interest in the subject matter of the particular category of*
9 *files or portions thereof and the potential for declassifying*
10 *a significant part of the information contained therein.*

11 “(3) *A complainant that alleges that the National Se-*
12 *curity Agency has improperly withheld records because of*
13 *failure to comply with this subsection may seek judicial re-*
14 *view in the district court of the United States of the district*
15 *in which any of the parties reside, or in the District of*
16 *Columbia. In such a proceeding, the court’s review shall be*
17 *limited to determining the following:*

18 “(A) *Whether the National Security Agency has*
19 *conducted the review required by paragraph (1) before*
20 *the expiration of the 10-year period beginning on the*
21 *date of the enactment of this section or before the ex-*
22 *piration of the 10-year period beginning on the date*
23 *of the most recent review.*

1 “(B) Whether the National Security Agency, in
2 fact, considered the criteria set forth in paragraph (2)
3 in conducting the required review.”.

4 **SEC. 1051. ASSISTANCE FOR STUDY OF FEASIBILITY OF BI-**
5 **ENNIAL INTERNATIONAL AIR TRADE SHOW IN**
6 **THE UNITED STATES AND FOR INITIAL IM-**
7 **PLEMENTATION.**

8 (a) *ASSISTANCE FOR COMMUNITY FEASIBILITY*
9 *STUDY.*—(1) *The Secretary of Defense shall provide assist-*
10 *ance to a community selected under subsection (d) for ex-*
11 *penses of a study by that community of the feasibility of*
12 *the establishment and operation of a biennial international*
13 *air trade show in the area of that community.*

14 (2) *The Secretary shall provide for the community to*
15 *submit to the Secretary a report containing the results of*
16 *the study not later than September 30, 2004. The Secretary*
17 *shall promptly submit the report to Congress, together with*
18 *such comments on the report as the Secretary considers ap-*
19 *propriate.*

20 (b) *ASSISTANCE FOR IMPLEMENTATION.*—*If the com-*
21 *munity conducting the study under subsection (a) deter-*
22 *mines that the establishment and operation of such an air*
23 *show is feasible and should be implemented, the Secretary*
24 *shall provide assistance to the community for the initial*

1 *expenses of implementing such an air show in the selected*
2 *community.*

3 (c) *AMOUNT OF ASSISTANCE.*—*The amount of assist-*
4 *ance provided by the Secretary under subsections (a) and*
5 *(b)—*

6 (1) *may not exceed a total of \$1,000,000, to be*
7 *derived from amounts available for operation and*
8 *maintenance for the Air Force for fiscal year 2004 or*
9 *later fiscal years; and*

10 (2) *may not exceed one-half of the cost of the*
11 *study and may not exceed one-half the cost of such*
12 *initial implementation.*

13 (d) *SELECTION OF COMMUNITY.*—*The Secretary shall*
14 *select a community for purposes of subsection (a) through*
15 *the use of competitive procedures. In making such selection,*
16 *the Secretary shall give preference to those communities that*
17 *already sponsor an air show, have demonstrated a history*
18 *of supporting air shows with local resources, and have a*
19 *significant role in the aerospace community. The commu-*
20 *nity shall be selected not later than March 1, 2004.*

21 **SEC. 1052. CONTINUATION OF REASONABLE ACCESS TO**
22 **MILITARY INSTALLATIONS FOR PERSONAL**
23 **COMMERCIAL SOLICITATION.**

24 (a) *CONTINUED ACCESS TO MEMBERS.*—*Section 2679*
25 *of title 10, United States Code, is amended—*

1 (1) *in subsection (a), by inserting “ACCESS BY*
2 *REPRESENTATIVES OF VETERANS’ ORGANIZATIONS.—*
3 *(1)” before “Upon certification”;*

4 (2) *by redesignating subsections (b) and (c) as*
5 *paragraphs (2) and (3), respectively;*

6 (3) *in paragraph (2), as so redesignated, by*
7 *striking “subsection (a)” and inserting “paragraph*
8 *(1)”;*

9 (4) *in paragraph (3), as so redesignated, by*
10 *striking “section” and inserting “subsection”;*

11 (5) *by redesignating subsection (d) as subsection*
12 *(c); and*

13 (6) *by inserting before such subsection the fol-*
14 *lowing new subsection (b):*

15 “*(b) ACCESS FOR PERSONAL COMMERCIAL SOLICITA-*
16 *TION.—An amendment or other revision to a Department*
17 *of Defense directive relating to access to military installa-*
18 *tions for the purpose of conducting limited personal com-*
19 *mmercial solicitation shall not take effect until the end of the*
20 *90-day period beginning on the date the Secretary of De-*
21 *fense submits to Congress notice of the amendment or revi-*
22 *sion and the reasons therefor.”.*

23 (b) *CLERICAL AMENDMENTS.—(1) The heading of such*
24 *section is amended to read as follows:*

1 **“§ 2679. Access to and use of space and equipment at**
2 **military installations: representatives of**
3 **veterans’ organizations and other per-**
4 **sons”.**

5 (2) *The item relating to such section in the table of*
6 *sections at the beginning of chapter 159 of such title is*
7 *amended to read as follows:*

“2679. Access to and use of space and equipment at military installations: rep-
resentatives of veterans’ organizations and other persons.”.

8 **SEC. 1053. COMMISSION ON NUCLEAR STRATEGY OF THE**
9 **UNITED STATES.**

10 (a) *ESTABLISHMENT OF COMMISSION.—*

11 (1) *ESTABLISHMENT.—There is hereby estab-*
12 *lished a commission to be known as the “Commission*
13 *on Nuclear Strategy of the United States” (herein-*
14 *after this this section referred to as the “Commis-*
15 *sion”). The Secretary of Defense, in consultation with*
16 *the Secretary of Energy, shall enter into a contract*
17 *with a federally funded research and development cen-*
18 *ter to provide for the organization, management, and*
19 *suport of the Commission.*

20 (2) *COMPOSITION.—(A) The Commission shall be*
21 *composed of 12 members appointed by the Secretary*
22 *of Defense. In selecting individuals for appointment*
23 *to the Commission, the Secretary of Defense shall con-*
24 *sult with the chairman and ranking minority mem-*

1 *ber of the Committee on Armed Services of the Senate*
2 *and the chairman and ranking minority member of*
3 *the Committee on Armed Services of the House of*
4 *Representatives.*

5 *(B) Members of the Commission shall be ap-*
6 *pointed from among private United States citizens*
7 *with knowledge and expertise in the political, mili-*
8 *tary, operational, and technical aspects of nuclear*
9 *strategy.*

10 *(3) CHAIRMAN OF THE COMMISSION.—The Sec-*
11 *retary of Defense shall designate one of the members*
12 *of the Commission to serve as chairman of the Com-*
13 *mission.*

14 *(4) PERIOD OF APPOINTMENT; VACANCIES.—*
15 *Members shall be appointed for the life of the Com-*
16 *mission. Any vacancy in the Commission shall be*
17 *filled in the same manner as the original appoint-*
18 *ment.*

19 *(5) SECURITY CLEARANCES.—All members of the*
20 *Commission shall hold appropriate security clear-*
21 *ances.*

22 *(b) DUTIES OF COMMISSION.—*

23 *(1) REVIEW OF NUCLEAR STRATEGY.—The Com-*
24 *mission shall consider all matters of policy, force*
25 *structure, nuclear stockpile stewardship, estimates of*

1 *threats and force requirements, and any other issue*
2 *the Commission may consider necessary in order to*
3 *assess and make recommendations about current*
4 *United States nuclear strategy as envisioned in the*
5 *National Security Strategy of the United States and*
6 *the Nuclear Posture Review, as well as possible alter-*
7 *native future strategies.*

8 (2) *ASSESSMENT OF RANGE OF NUCLEAR STRAT-*
9 *EGIES.—The Commission shall assess possible future*
10 *nuclear strategies for the United States that could be*
11 *pursued over the next 20 years.*

12 (3) *RELATIONS WITH RUSSIA.—The Commission*
13 *shall give special attention to assessing how the*
14 *United States goal of strengthening partnership with*
15 *Russia may be advanced or adversely affected by each*
16 *of the possible nuclear strategies considered. The Com-*
17 *mission shall also assess how relations with China,*
18 *and the overall global security environment, may be*
19 *affected by each of those possible nuclear strategies.*

20 (4) *OTHER MATTERS TO BE INCLUDED.—For*
21 *each of the possible nuclear strategies considered, the*
22 *Commission shall include in its report under sub-*
23 *section (c)(1), at a minimum, the following:*

1 (A) *A discussion of the policy defining the*
2 *deterrence and military-political objectives of the*
3 *United States against potential adversaries.*

4 (B) *A discussion of the military require-*
5 *ments for United States forces, the force structure*
6 *and capabilities necessary to meet those require-*
7 *ments, and how they relate to the achievement of*
8 *the objectives identified under subparagraph (A).*

9 (C) *Appropriate quantitative and quali-*
10 *tative analysis, including force-on-force exchange*
11 *modeling, to calculate the effectiveness of the*
12 *strategy under various scenario conditions, in-*
13 *cluding scenarios of strategic and tactical sur-*
14 *prise.*

15 (D) *An assessment of the role of missile de-*
16 *fenses in the strategy, the dependence of the*
17 *strategy on missile defense effectiveness, and the*
18 *effect of missile defenses on the threat environ-*
19 *ment.*

20 (E) *An assessment of the implications of the*
21 *proliferation of missiles and weapons of mass de-*
22 *struction, the proliferation of underground facili-*
23 *ties and mobile launch platforms, and China's*
24 *modernization of strategic forces.*

1 (F) *An assessment of the implications of*
2 *asymmetries between the United States and Rus-*
3 *sia, including doctrine, nonstrategic nuclear*
4 *weapons, and active and passive defenses.*

5 (G) *An assessment of strategies or options*
6 *for dealing with nuclear capable nations that*
7 *may provide nuclear weapons to terrorist or*
8 *transnational groups.*

9 (H) *An assessment of the contribution of*
10 *non-proliferation strategies and programs to the*
11 *overall security of the United States and how*
12 *those strategies and programs may affect the*
13 *overall requirements of future nuclear strategy.*

14 (I) *An assessment of the effect of the strat-*
15 *egy on the nuclear programs of emerging nuclear*
16 *weapons states, including North Korea, Iran,*
17 *Pakistan, and India.*

18 (5) *RECOMMENDATIONS.—The Commission shall*
19 *include in its report recommendations for any con-*
20 *tinuities or changes in nuclear strategy it believes*
21 *should be taken to enhance the national security of the*
22 *United States.*

23 (6) *COOPERATION FROM GOVERNMENT OFFI-*
24 *CIALS.—(A) In carrying out its duties, the Commis-*
25 *sion shall receive the full and timely cooperation of*

1 *the Secretary of Defense, the Secretary of Energy, and*
2 *any other United States Government official in pro-*
3 *viding the Commission with analyses, briefings, and*
4 *other information necessary for the fulfillment of its*
5 *responsibilities.*

6 *(B) The Secretary of Energy and the Secretary*
7 *of Defense shall each designate at least one officer or*
8 *employee of the Department of Energy and the De-*
9 *partment of Defense, respectively, to serve as a liaison*
10 *officer between the department and the Commission.*
11 *The Director of Central Intelligence may designate at*
12 *least one officer or employee of the Central Intel-*
13 *ligence Agency to serve as a liaison officer between*
14 *that agency and the Commission.*

15 *(c) REPORTS.—*

16 *(1) COMMISSION REPORT.—The Commission*
17 *shall submit to the Secretary of Defense and to the*
18 *Committees on Armed Services of the Senate and*
19 *House of Representatives a report on the Commis-*
20 *sion's findings and conclusions not later than 18*
21 *months after the date of its first meeting.*

22 *(2) SECRETARY OF DEFENSE RESPONSE.—Not*
23 *later than one year after the date on which the Com-*
24 *mission submits its report under paragraph (1), the*

1 *Secretary of Defense shall submit to Congress a re-*
2 *port—*

3 *(A) commenting on the Commission’s find-*
4 *ings and conclusions; and*

5 *(B) explaining what actions, if any, the*
6 *Secretary intends to take to implement the rec-*
7 *ommendations of the Commission and, with re-*
8 *spect to each such recommendation, the Sec-*
9 *retary’s reasons for implementing, or not imple-*
10 *menting, the recommendation.*

11 *(d) HEARINGS AND PROCEDURES.—*

12 *(1) HEARINGS.—The Commission may, for the*
13 *purpose of carrying out the purposes of this section,*
14 *hold hearings and take testimony.*

15 *(2) PROCEDURES.—The federally funded re-*
16 *search and development center referred to in sub-*
17 *section (a)(1) shall be responsible for establishing ap-*
18 *propriate procedures for the Commission.*

19 *(3) DETAIL OF GOVERNMENT EMPLOYEES.—*
20 *Upon request of the chairman of the Commission, the*
21 *head of any Federal department or agency may de-*
22 *tail, on a nonreimbursable basis, any personnel of*
23 *that department or agency to the Commission to as-*
24 *ist it in carrying out its duties.*

1 (e) *FUNDING.*—*Funds for activities of the Commission*
2 *shall be provided from amounts appropriated for the De-*
3 *partment of Defense.*

4 (f) *TERMINATION OF COMMISSION.*—*The Commission*
5 *shall terminate 60 days after the date of the submission of*
6 *its report under subsection (c)(1).*

7 (g) *IMPLEMENTATION.*—

8 (1) *FFRDC CONTRACT.*—*The Secretary of De-*
9 *fense shall enter into the contract required under sub-*
10 *section (a)(1) not later than 60 days after the date of*
11 *the enactment of this Act.*

12 (2) *FIRST MEETING.*—*The Commission shall con-*
13 *vene its first meeting not later than 60 days after the*
14 *date as of which all members of the Commission have*
15 *been appointed.*

16 ***SEC. 1054. EXTENSION OF COUNTERPROLIFERATION PRO-***
17 ***GRAM REVIEW COMMITTEE.***

18 Section 1605(f) of the National Defense Authorization
19 Act for Fiscal Year 1994 (22 U.S.C. 2751 note) is amended
20 by striking “September 30, 2004” and inserting “September
21 30, 2008”.

1 **TITLE XI—DEPARTMENT OF**
2 **DEFENSE CIVILIAN PERSONNEL**
3 **Subtitle A—Department of Defense**
4 **Civilian Personnel Generally**

5 **SEC. 1101. MODIFICATION OF THE OVERTIME PAY CAP.**

6 Section 5542(a)(2) of title 5, United States Code, is
7 amended—

8 (1) by inserting “the greater of” before “one and
9 one-half”; and

10 (2) by inserting “or the hourly rate of basic pay
11 of the employee” after “law)” the second place it ap-
12 pears.

13 **SEC. 1102. MILITARY LEAVE FOR MOBILIZED FEDERAL CI-**
14 **VILIAN EMPLOYEES.**

15 (a) *IN GENERAL.*—Subsection (b) of section 6323 of
16 title 5, United States Code, is amended—

17 (1) in paragraph (2)—

18 (A) by redesignating subparagraphs (A)
19 and (B) as clauses (i) and (ii), respectively, and
20 at the end of clause (ii), as so redesignated, by
21 inserting “or”; and

22 (B) by inserting “(A)” after “(2)”; and

23 (2) by inserting the following before the text be-
24 ginning with “is entitled”:

1 *exposure limit promulgated by the Secretary of Labor under*
2 *the Occupational Safety and Health Act of 1970”.*

3 (c) *APPLICABILITY.*—*Subject to any vested constitu-*
4 *tional property rights, any administrative or judicial deter-*
5 *mination after the date of enactment of this Act concerning*
6 *backpay for a differential established under sections*
7 *5343(c)(4) or 5545(d) of such title shall be based on occupa-*
8 *tional safety and health standards described in the amend-*
9 *ments made by subsections (a) and (b).*

10 ***SEC. 1104. INCREASE IN ANNUAL STUDENT LOAN REPAY-***
11 ***MENT AUTHORITY.***

12 *Section 5379(b)(2)(A) of title 5, United States Code,*
13 *is amended by striking “\$6,000” and inserting “\$10,000”.*

14 ***SEC. 1105. AUTHORIZATION FOR CABINET SECRETARIES,***
15 ***SECRETARIES OF MILITARY DEPARTMENTS,***
16 ***AND HEADS OF EXECUTIVE AGENCIES TO BE***
17 ***PAID ON A BIWEEKLY BASIS.***

18 (a) *AUTHORIZATION.*—*Section 5504 of title 5, United*
19 *States Code, is amended—*

20 (1) *by redesignating subsection (c) as subsection*
21 *(d);*

22 (2) *by striking the last sentence of both sub-*
23 *section (a) and subsection (b); and*

24 (3) *by inserting after subsection (b) the fol-*
25 *lowing:*

1 “(c) For the purposes of this section:

2 “(1) The term ‘employee’ means—

3 “(A) an employee in or under an Executive
4 agency;

5 “(B) an employee in or under the Office of
6 the Architect of the Capitol, the Botanic Garden,
7 and the Library of Congress, for whom a basic
8 administrative workweek is established under
9 section 6101(a)(5) of this title; and

10 “(C) an individual employed by the govern-
11 ment of the District of Columbia.

12 “(2) The term ‘employee’ does not include—

13 “(A) an employee on the Isthmus of Pan-
14 ama in the service of the Panama Canal Com-
15 mission; or

16 “(B) an employee or individual excluded
17 from the definition of employee in section
18 5541(2) of this title other than an employee or
19 individual excluded by clauses (ii), (iii), and
20 (xiv) through (xvii) of such section.

21 “(3) Notwithstanding paragraph (2), an indi-
22 vidual who otherwise would be excluded from the defi-
23 nition of employee shall be deemed to be an employee
24 for purposes of this section if the individual’s employ-
25 ing agency so elects, under guidelines in regulations

1 *promulgated by the Office of Personnel Management*
2 *under subsection (d)(2).”.*

3 **(b) GUIDELINES.**—*Subsection (d) of section 5504 of*
4 *such title, as redesignated by subsection (a), is amended—*

5 *(1) by inserting “(1)” after “(d)”;* and

6 *(2) by adding at the end the following new para-*
7 *graph:*

8 *“(2) The Office of Personnel Management shall provide*
9 *guidelines by regulation for exemptions to be made by the*
10 *heads of agencies under subsection (c)(3). Such guidelines*
11 *shall provide for such exemptions only under exceptional*
12 *circumstances.”.*

13 **SEC. 1106. SENIOR EXECUTIVE SERVICE AND PERFORM-**
14 **ANCE.**

15 **(a) SENIOR EXECUTIVE PAY.**—*Chapter 53 of title 5,*
16 *United States Code, is amended—*

17 *(1) in section 5304—*

18 *(A) in subsection (g)(2)—*

19 *(i) in subparagraph (A) by striking*
20 *“subparagraphs (A)–(E)” and inserting*
21 *“subparagraphs (A)–(D)”;* and

22 *(ii) in subparagraph (B) by striking*
23 *“subsection (h)(1)(F)” and inserting “sub-*
24 *section (h)(1)(D)”;*

25 *(B) in subsection (h)(1)—*

1 *(i) by striking subparagraphs (B) and*
2 *(C);*

3 *(ii) by redesignating subparagraphs*
4 *(D), (E), and (F) as subparagraphs (B),*
5 *(C), and (D), respectively;*

6 *(iii) in clause (ii) by striking “or” at*
7 *the end;*

8 *(iv) in clause (iii) by striking the pe-*
9 *riod and inserting a semicolon; and*

10 *(v) by adding at the end the following*
11 *new clauses:*

12 *“(iv) a Senior Executive Service position under*
13 *section 3132;*

14 *“(v) a position in the Federal Bureau of Inves-*
15 *tigation and Drug Enforcement Administration Sen-*
16 *ior Executive Service under section 3151; or*

17 *“(vi) a position in a system equivalent to the*
18 *system in clause (iv), as determined by the Presi-*
19 *dent’s Pay Agent designated under subsection (d).”;*
20 *and*

21 *(C) in subsection (h)(2)(B)—*

22 *(i) in clause (i)—*

23 *(I) by striking “subparagraphs*
24 *(A) through (E)” and inserting “sub-*
25 *paragraphs (A) through (C)”;* and

1 (II) by striking “clause (i) or
2 (ii)” and inserting “clause (i), (ii),
3 (iii), (iv), (v), or (vii)”; and
4 (ii) in clause (ii)—

5 (I) by striking “paragraph
6 (1)(F)” and inserting “paragraph
7 (1)(D)”; and

8 (II) by striking “clause (i) or
9 (ii)” and inserting “clause (i), (ii),
10 (iii), (iv), (v), or (vi)”;
11

(2) by amending section 5382 to read as follows:

12 **“§ 5382. Establishment of rates of pay for the Senior**
13 **Executive Service**

14 “(a) Subject to regulations prescribed by the Office of
15 Personnel Management, there shall be established a range
16 of rates of basic pay for the Senior Executive Service, and
17 each senior executive shall be paid at one of the rates within
18 the range, based on individual performance, contribution
19 to the agency’s performance, or both, as determined under
20 a rigorous performance management system. The lowest
21 rate of the range shall not be less than the minimum rate
22 of basic pay payable under section 5376, and the highest
23 rate, for any position under this system or an equivalent
24 system as determined by the President’s Pay Agent des-
25 igned under section 5304(d), shall not exceed the rate for

1 *level III of the Executive Schedule. The payment of the rates*
2 *shall not be subject to the pay limitation of section 5306(e)*
3 *or 5373.*

4 “(b) Notwithstanding the provisions of subsection (a),
5 *the applicable maximum shall be level II of the Executive*
6 *Schedule for any agency that is certified under section 5307*
7 *as having a performance appraisal system which, as de-*
8 *signed and applied, makes meaningful distinctions based*
9 *on relative performance.*

10 “(c) No employee may suffer a reduction in pay by
11 *reason of transfer from an agency with an applicable max-*
12 *imum rate of pay prescribed under subsection (b) to an*
13 *agency with an applicable maximum rate of pay prescribed*
14 *under subsection (a).”;* and

15 (3) *in section 5383—*

16 (A) *in subsection (a) by striking “which of*
17 *the rates established under section 5382 of this*
18 *title” and inserting “which of the rates within a*
19 *range established under section 5382”;* and

20 (B) *in subsection (c) by striking “for any*
21 *pay adjustment under section 5382 of this title”*
22 *and inserting “as provided in regulations pre-*
23 *scribed by the Office under section 5385”.*

1 (b) *POST-EMPLOYMENT RESTRICTIONS.*—(1) *Clause*
2 *(ii) of section 207(c)(2)(A) of title 18, United States Code*
3 *is amended to read as follows:*

4 “(ii) *employed in a position which is not*
5 *referred to in clause (i) and for which that per-*
6 *son is paid at a rate of basic pay which is equal*
7 *to or greater than 96 percent of the rate of basic*
8 *pay for level II of the Executive Schedule, or, for*
9 *a period of 2 years following the enactment of*
10 *the Federal Employees Pay for Performance Act*
11 *of 2003, a person who, on the day prior to the*
12 *enactment of that Act, was employed in a posi-*
13 *tion which is not referred to in clause (i) and for*
14 *which the rate of basic pay, exclusive of any lo-*
15 *cality-based pay adjustment under section 5304*
16 *or section 5304a of title 5, was equal to or great-*
17 *er than the rate of basic pay payable for level 5*
18 *of the Senior Executive Service on the day prior*
19 *to the enactment of that Act,”.*

20 (2) *Subchapter I of chapter 73 of title 5, United States*
21 *Code, is amended by inserting at the end the following new*
22 *section:*

23 **“§ 7302. Post-employment notification**

24 “(a) *Not later than the effective date of the amend-*
25 *ments made by sections 3 and 4 of the Federal Employees*

1 *Pay for Performance Act of 2003, or 180 days after the*
2 *date of enactment of that Act, whichever is later, the Office*
3 *of Personnel Management shall, in consultation with the At-*
4 *torney General and the Office of Government Ethics, pro-*
5 *mulgate regulations requiring that each Executive branch*
6 *agency notify any employee of that agency who is subject*
7 *to the provisions of section 207(c)(1) of title 18, as a result*
8 *of the amendment to section 207(c)(2)(A)(ii) of that title*
9 *by that Act.*

10 “(b) *The regulations shall require that notice be given*
11 *before, or as part of, the action that affects the employee’s*
12 *coverage under section 207(c)(1) of title 18, by virtue of the*
13 *provisions of section 207(c)(2)(A)(ii) of that title, and*
14 *again when employment or service in the covered position*
15 *is terminated.”.*

16 (c) *The table of sections for chapter 73 of title 5,*
17 *United States Code, is amended by adding after the item*
18 *relating to section 7301 the following:*

 “7302. *Post-employment notification.”.*

19 (c) *EFFECTIVE DATE AND APPLICABILITY.—(1) The*
20 *amendments made by this section shall take effect on the*
21 *first day of the first pay period beginning on or after the*
22 *first January 1 following the date of enactment of this sec-*
23 *tion.*

24 (2) *The amendments made by subsection (a) may not*
25 *result in a reduction in the rate of basic pay for any senior*

1 *executive during the first year after the effective date of*
2 *those amendments.*

3 (3) *For the purposes of subsection (c)(2), the rate of*
4 *basic pay for a senior executive shall be deemed to be the*
5 *rate of basic pay set for the senior executive under section*
6 *5383 of title 5, United States Code, plus applicable locality*
7 *pay paid to that senior executive, as of the date of enact-*
8 *ment of this Act.*

9 **SEC. 1107. DESIGN ELEMENTS OF PAY-FOR-PERFORMANCE**

10 **SYSTEMS IN DEMONSTRATION PROJECTS.**

11 *A pay-for-performance system may not be initiated*
12 *under chapter 47 of title 5, United States Code, after the*
13 *date of enactment of this Act, unless it incorporates the fol-*
14 *lowing elements:*

15 (1) *adherence to merit principles set forth in sec-*
16 *tion 2301 of such title;*

17 (2) *a fair, credible, and transparent employee*
18 *performance appraisal system;*

19 (3) *a link between elements of the pay-for-per-*
20 *formance system, the employee performance appraisal*
21 *system, and the agency's strategic plan;*

22 (4) *a means for ensuring employee involvement*
23 *in the design and implementation of the system;*

1 (5) *adequate training and retraining for super-*
2 *visors, managers, and employees in the implementa-*
3 *tion and operation of the pay-for-performance system;*

4 (6) *a process for ensuring ongoing performance*
5 *feedback and dialogue between supervisors, managers,*
6 *and employees throughout the appraisal period, and*
7 *setting timetables for review;*

8 (7) *effective safeguards to ensure that the man-*
9 *agement of the system is fair and equitable and based*
10 *on employee performance; and*

11 (8) *a means for ensuring that adequate agency*
12 *resources are allocated for the design, implementation,*
13 *and administration of the pay-for-performance sys-*
14 *tem.*

15 **SEC. 1108. FEDERAL FLEXIBLE BENEFITS PLAN ADMINIS-**
16 **TRATIVE COSTS.**

17 (a) *IN GENERAL.*—*Notwithstanding any other provi-*
18 *sion of law, an agency or other employing entity of the Gov-*
19 *ernment which provides or plans to provide a flexible spend-*
20 *ing account option for its employees shall not impose any*
21 *fee with respect to any of its employees in order to defray*
22 *the administrative costs associated therewith.*

23 (b) *OFFSET OF ADMINISTRATIVE COSTS.*—*Each such*
24 *agency or employing entity that offers a flexible spending*
25 *account option under a program established or adminis-*

1 *tered by the Office of Personnel Management shall periodi-*
2 *cally forward to such Office, or entity designated by such*
3 *Office, the amount necessary to offset the administrative*
4 *costs of such program which are attributable to such agency.*

5 *(c) REPORTS.—(1) The Office shall submit a report*
6 *to the Committee on Government Reform of the House of*
7 *Representatives and the Committee on Governmental Af-*
8 *airs of the Senate no later than March 31, 2004, specifying*
9 *the administrative costs associated with the Government-*
10 *wide program (referred to in subsection (b)) for fiscal year*
11 *2003, as well as the projected administrative costs of such*
12 *program for each of the 5 fiscal years thereafter.*

13 *(2) At the end of each of the first 3 calendar years*
14 *in which an agency or other employing entity offers a flexi-*
15 *ble spending account option under this section, such agency*
16 *or entity shall submit a report to the Office of Management*
17 *and Budget showing the amount of its employment tax sav-*
18 *ings in such year which are attributable to such option,*
19 *net of administrative fees paid under section (b).*

20 **SEC. 1109. CLARIFICATION TO HATCH ACT; LIMITATION ON**
21 **DISCLOSURE OF CERTAIN RECORDS.**

22 *(a) CLARIFICATION TO HATCH ACT.—No Federal em-*
23 *ployee or individual who voluntarily separates from the*
24 *civil service (including by transferring to an international*
25 *organization in the circumstances described in section*

1 3582(a) of title 5, United States Code) shall be subject to
2 enforcement of the provisions of section 7326 of such title
3 (including any loss of rights under subchapter IV of chapter
4 35 of such title resulting from any proceeding under such
5 section 7326), except that this subsection shall not apply
6 in the event that such employee or individual subsequently
7 becomes reemployed in the civil service. The preceding sen-
8 tence shall apply to any complaint which is filed with or
9 pending before the Merit Systems Protection Board after
10 the date of the enactment of this Act.

11 (b) *LIMITATION ON DISCLOSURE OF CERTAIN*
12 *RECORDS.*—Notwithstanding any other provision of law,
13 rule, or regulation, nothing described in paragraph (2) or
14 (3) of use “q” of the proposed revisions published in the
15 *Federal Register* on July 12, 2001 (66 *Fed. Reg.* 36613)
16 shall be considered to constitute a routine use of records
17 maintained by the Office of Special Counsel.

18 (c) *DEFINITIONS.*—For purposes of this section—

19 (1) the term “Federal employee or individual”
20 means any employee or individual, as referred to in
21 section 7326 of title 5, United States Code;

22 (2) the term “civil service” has the meaning
23 given such term by section 2101 of title 5, United
24 States Code;

1 (3) *the term “international organization” has*
2 *the meaning given such term by section 3581 of title*
3 *5, United States Code; and*

4 (4) *the terms “routine use” and “record” have*
5 *the respective meanings given such terms under sec-*
6 *tion 552a(a) of title 5, United States Code.*

7 **SEC. 1110. EMPLOYEE SURVEYS.**

8 (a) *IN GENERAL.—Each agency shall conduct an an-*
9 *nual survey of its employees (including survey questions*
10 *unique to the agency and questions prescribed under sub-*
11 *section (b)) to assess—*

12 (1) *leadership and management practices that*
13 *contribute to agency performance; and*

14 (2) *employee satisfaction with—*

15 (A) *leadership policies and practices;*

16 (B) *work environment;*

17 (C) *rewards and recognition for professional*
18 *accomplishment and personal contributions to*
19 *achieving organizational mission;*

20 (D) *opportunity for professional develop-*
21 *ment and growth; and*

22 (E) *opportunity to contribute to achieving*
23 *organizational mission.*

24 (b) *REGULATIONS.—The Office of Personnel Manage-*
25 *ment shall issue regulations prescribing survey questions*

1 *that should appear on all agency surveys under subsection*
 2 *(a) in order to allow a comparison across agencies.*

3 *(c) AVAILABILITY OF RESULTS.—The results of the*
 4 *agency surveys under subsection (a) shall be made available*
 5 *to the public and posted on the website of the agency in-*
 6 *olved, unless the head of such agency determines that doing*
 7 *so would jeopardize or negatively impact national security.*

8 *(d) AGENCY DEFINED.—For purposes of this section,*
 9 *the term “agency” means an Executive agency (as defined*
 10 *by section 105 of title 5, United States Code).*

11 ***Subtitle B—Department of Defense***
 12 ***National Security Personnel System***

13 ***SEC. 1111. DEPARTMENT OF DEFENSE NATIONAL SECURITY***
 14 ***PERSONNEL SYSTEM.***

15 *(a) IN GENERAL.—(1) Subpart I of part III of title*
 16 *5, United States Code, is amended by adding at the end*
 17 *the following new chapter:*

18 ***“CHAPTER 99—DEPARTMENT OF DEFENSE***
 19 ***NATIONAL SECURITY PERSONNEL SYSTEM***

“Sec.

“9901. Definitions.

“9902. Establishment of human resources management system.

“9903. Attracting highly qualified experts.

“9904. Employment of older Americans.

“9905. Special pay and benefits for certain employees outside the United States.

20 ***“§ 9901. Definitions***

21 *“For purposes of this chapter—*

1 *cluding the principles of hiring based on merit,*
2 *fair treatment without regard to political affili-*
3 *ation or other nonmerit considerations, equal*
4 *pay for equal work, and protection of employees*
5 *against reprisal for whistleblowing;*

6 *“(B) any provision of section 2302, relating*
7 *to prohibited personnel practices;*

8 *“(C)(i) any provision of law referred to in*
9 *section 2302(b)(1), (8), and (9); or*

10 *“(ii) any provision of law implementing*
11 *any provision of law referred to in section*
12 *2302(b)(1), (8), and (9) by—*

13 *“(I) providing for equal employment*
14 *opportunity through affirmative action; or*

15 *“(II) providing any right or remedy*
16 *available to any employee or applicant for*
17 *employment in the public service;*

18 *“(D) any other provision of this part (as*
19 *described in subsection (c)); or*

20 *“(E) any rule or regulation prescribed*
21 *under any provision of law referred to in this*
22 *paragraph;*

23 *“(4) ensure that employees may organize, bar-*
24 *gain collectively as provided for in this chapter, and*
25 *participate through labor organizations of their own*

1 *choosing in decisions which affect them, subject to the*
2 *provisions of this chapter and any exclusion from cov-*
3 *erage or limitation on negotiability established pursu-*
4 *ant to law;*

5 *“(5) not be limited by any specific law or au-*
6 *thority under this title that is waivable under this*
7 *chapter or by any provision of this chapter or any*
8 *rule or regulation prescribed under this title that is*
9 *waivable under this chapter, except as specifically*
10 *provided for in this section; and*

11 *“(6) include a performance management system*
12 *that incorporates the following elements:*

13 *“(A) adherence to merit principles set forth*
14 *in section 2301;*

15 *“(B) a fair, credible, and transparent em-*
16 *ployee performance appraisal system;*

17 *“(C) a link between the performance man-*
18 *agement system and the agency’s strategic plan;*

19 *“(D) a means for ensuring employee in-*
20 *volvement in the design and implementation of*
21 *the system;*

22 *“(E) adequate training and retraining for*
23 *supervisors, managers, and employees in the im-*
24 *plementation and operation of the performance*
25 *management system;*

1 “(F) a process for ensuring ongoing per-
2 formance feedback and dialogue between super-
3 visors, managers, and employees throughout the
4 appraisal period, and setting timetables for re-
5 view;

6 “(G) effective safeguards to ensure that the
7 management of the system is fair and equitable
8 and based on employee performance; and

9 “(H) a means for ensuring that adequate
10 agency resources are allocated for the design, im-
11 plementation, and administration of the per-
12 formance management system.

13 “(c) *OTHER NONWAIVABLE PROVISIONS.*—The other
14 provisions of this part referred to in subsection (b)(3)(D)
15 are (to the extent not otherwise specified in this title)—

16 “(1) subparts A, B, E, G, and H of this part;
17 and

18 “(2) chapters 41, 45, 47, 55 (except subchapter
19 V thereof), 57, 59, 72, 73, and 79, and this chapter.

20 “(d) *LIMITATIONS RELATING TO PAY.*—(1) Nothing in
21 this section shall constitute authority to modify the pay of
22 any employee who serves in an Executive Schedule position
23 under subchapter II of chapter 53 of this title.

24 “(2) Except as provided for in paragraph (1), the total
25 amount in a calendar year of allowances, differentials, bo-

1 *nuses, awards, or other similar cash payments paid under*
2 *this title to any employee who is paid under section 5376*
3 *or 5383 of this title or under title 10 or under other com-*
4 *parable pay authority established for payment of Depart-*
5 *ment of Defense senior executive or equivalent employees*
6 *may not exceed the total annual compensation payable to*
7 *the Vice President under section 104 of title 3.*

8 “(3) *To the maximum extent practicable, the rates of*
9 *compensation for civilian employees at the Department of*
10 *Defense shall be adjusted at the same rate, and in the same*
11 *proportion, as are rates of compensation for members of the*
12 *uniformed services.*

13 “(e) *PROVISIONS TO ENSURE COLLABORATION WITH*
14 *EMPLOYEE REPRESENTATIVES.—(1) In order to ensure*
15 *that the authority of this section is exercised in collabora-*
16 *tion with, and in a manner that ensures the participation*
17 *of, employee representatives in the planning, development,*
18 *and implementation of any human resources management*
19 *system or adjustments to such system under this section,*
20 *the Secretary and the Director shall provide for the fol-*
21 *lowing:*

22 “(A) *The Secretary and the Director shall, with*
23 *respect to any proposed system or adjustment—*

24 “(i) *provide to the employee representatives*
25 *representing any employees who might be af-*

1 *fected a written description of the proposed sys-*
2 *tem or adjustment (including the reasons why it*
3 *is considered necessary);*

4 *“(ii) give such representatives at least 30*
5 *calendar days (unless extraordinary cir-*
6 *cumstances require earlier action) to review and*
7 *make recommendations with respect to the pro-*
8 *posal; and*

9 *“(iii) give any recommendations received*
10 *from such representatives under clause (ii) full*
11 *and fair consideration in deciding whether or*
12 *how to proceed with the proposal.*

13 *“(B) Following receipt of recommendations, if*
14 *any, from such employee representatives with respect*
15 *to a proposal described in subparagraph (A), the Sec-*
16 *retary and the Director shall accept such modifica-*
17 *tions to the proposal in response to the recommenda-*
18 *tions as they determine advisable and shall, with re-*
19 *spect to any parts of the proposal as to which they*
20 *have not accepted the recommendations—*

21 *“(i) notify Congress of those parts of the*
22 *proposal, together with the recommendations of*
23 *the employee representatives;*

24 *“(ii) meet and confer for not less than 30*
25 *calendar days with the employee representatives,*

1 *in order to attempt to reach agreement on wheth-*
2 *er or how to proceed with those parts of the pro-*
3 *posal; and*

4 *“(iii) at the Secretary’s option, or if re-*
5 *quested by a majority of the employee represent-*
6 *atives participating, use the services of the Fed-*
7 *eral Mediation and Conciliation Service during*
8 *such meet and confer period to facilitate the*
9 *process of attempting to reach agreement.*

10 *“(C)(i) Any part of the proposal as to which the*
11 *representatives do not make a recommendation, or as*
12 *to which the recommendations are accepted by the*
13 *Secretary and the Director, may be implemented im-*
14 *mediately.*

15 *“(ii) With respect to any parts of the proposal*
16 *as to which recommendations have been made but not*
17 *accepted by the Secretary and the Director, at any*
18 *time after 30 calendar days have elapsed since the*
19 *initiation of the congressional notification, consulta-*
20 *tion, and mediation procedures set forth in subpara-*
21 *graph (B), if the Secretary, in his discretion, deter-*
22 *mines that further consultation and mediation is un-*
23 *likely to produce agreement, the Secretary may imple-*
24 *ment any or all of such parts (including any modi-*
25 *fications made in response to the recommendations as*

1 *the Secretary determines advisable), but only after 30*
2 *days have elapsed after notifying Congress of the deci-*
3 *sion to implement the part or parts involved (as so*
4 *modified, if applicable).*

5 *“(iii) The Secretary shall notify Congress*
6 *promptly of the implementation of any part of the*
7 *proposal and shall furnish with such notice an expla-*
8 *nation of the proposal, any changes made to the pro-*
9 *posal as a result of recommendations from the em-*
10 *ployee representatives, and of the reasons why imple-*
11 *mentation is appropriate under this subparagraph.*

12 *“(D) If a proposal described in subparagraph*
13 *(A) is implemented, the Secretary and the Director*
14 *shall—*

15 *“(i) develop a method for the employee rep-*
16 *resentatives to participate in any further plan-*
17 *ning or development which might become nec-*
18 *essary; and*

19 *“(ii) give the employee representatives ade-*
20 *quate access to information to make that partici-*
21 *pation productive.*

22 *“(2) The Secretary may, at the Secretary’s discretion,*
23 *engage in any and all collaboration activities described in*
24 *this subsection at an organizational level above the level of*
25 *exclusive recognition.*

1 “(3) *In the case of any employees who are not within*
2 *a unit with respect to which a labor organization is ac-*
3 *corded exclusive recognition, the Secretary and the Director*
4 *may develop procedures for representation by any appro-*
5 *priate organization which represents a substantial percent-*
6 *age of those employees or, if none, in such other manner*
7 *as may be appropriate, consistent with the purposes of this*
8 *subsection.*

9 “(f) *PROVISIONS REGARDING NATIONAL LEVEL BAR-*
10 *GAINING.—(1) Any human resources management system*
11 *implemented or modified under this chapter may include*
12 *employees of the Department of Defense from any bar-*
13 *gaining unit with respect to which a labor organization has*
14 *been accorded exclusive recognition under chapter 71 of this*
15 *title.*

16 “(2) *For any bargaining unit so included under para-*
17 *graph (1), the Secretary may bargain at an organizational*
18 *level above the level of exclusive recognition. Any such bar-*
19 *gaining shall—*

20 “(A) *be binding on all subordinate bargaining*
21 *units at the level of recognition and their exclusive*
22 *representatives, and the Department of Defense and*
23 *its subcomponents, without regard to levels of recogni-*
24 *tion;*

1 “(B) *supersede all other collective bargaining*
2 *agreements, including collective bargaining agree-*
3 *ments negotiated with an exclusive representative at*
4 *the level of recognition, except as otherwise deter-*
5 *mined by the Secretary;*

6 “(C) *not be subject to further negotiations for*
7 *any purpose, including bargaining at the level of rec-*
8 *ognition, except as provided for by the Secretary; and*

9 “(D) *except as otherwise specified in this chap-*
10 *ter, not be subject to review or to statutory third-*
11 *party dispute resolution procedures outside the De-*
12 *partment of Defense.*

13 “(3) *The National Guard Bureau and the Army and*
14 *Air Force National Guard are excluded from coverage under*
15 *this subsection.*

16 “(4) *Any bargaining completed pursuant to this sub-*
17 *section with a labor organization not otherwise having na-*
18 *tional consultation rights with the Department of Defense*
19 *or its subcomponents shall not create any obligation on the*
20 *Department of Defense or its subcomponents to confer na-*
21 *tional consultation rights on such a labor organization.*

22 “(g) *PROVISIONS RELATING TO APPELLATE PROCE-*
23 *DURES.—(1) The Secretary shall—*

24 “(A) *establish an appeals process that provides*
25 *that employees of the Department of Defense are enti-*

1 *tled to fair treatment in any appeals that they bring*
2 *in decisions relating to their employment; and*

3 *“(B) in prescribing regulations for any such ap-*
4 *peals process—*

5 *“(i) ensure that employees of the Depart-*
6 *ment of Defense are afforded the protections of*
7 *due process; and*

8 *“(ii) toward that end, be required to consult*
9 *with the Merit Systems Protection Board before*
10 *issuing any such regulations.*

11 *“(2) Any regulations establishing the appeals process*
12 *required by paragraph (1) that relate to any matters within*
13 *the purview of chapter 77 shall—*

14 *“(A) provide for an independent review panel,*
15 *appointed by the President, which shall not include*
16 *the Secretary or the Deputy Secretary of Defense or*
17 *any of their subordinates;*

18 *“(B) be issued only after—*

19 *“(i) notification to the appropriate commit-*
20 *tees of Congress; and*

21 *“(ii) consultation with the Merit Systems*
22 *Protection Board and the Equal Employment*
23 *Opportunity Commission;*

24 *“(C) ensure the availability of procedures that—*

1 “(i) are consistent with requirements of due
2 process; and

3 “(ii) provide, to the maximum extent prac-
4 ticable, for the expeditious handling of any mat-
5 ters involving the Department of Defense; and

6 “(D) modify procedures under chapter 77 only
7 insofar as such modifications are designed to further
8 the fair, efficient, and expeditious resolution of mat-
9 ters involving the employees of the Department of De-
10 fense.

11 “(h) *PROVISIONS RELATED TO SEPARATION AND RE-*
12 *TIREMENT INCENTIVES.*—(1) *The Secretary may establish*
13 *a program within the Department of Defense under which*
14 *employees may be eligible for early retirement, offered sepa-*
15 *ration incentive pay to separate from service voluntarily,*
16 *or both. This authority may be used to reduce the number*
17 *of personnel employed by the Department of Defense or to*
18 *restructure the workforce to meet mission objectives without*
19 *reducing the overall number of personnel. This authority*
20 *is in addition to, and notwithstanding, any other authori-*
21 *ties established by law or regulation for such programs.*

22 “(2) *For purposes of this section, the term ‘employee’*
23 *means an employee of the Department of Defense, serving*
24 *under an appointment without time limitation, except that*
25 *such term does not include—*

1 “(A) a reemployed annuitant under subchapter
2 III of chapter 83 or chapter 84 of this title, or an-
3 other retirement system for employees of the Federal
4 Government;

5 “(B) an employee having a disability on the
6 basis of which such employee is or would be eligible
7 for disability retirement under any of the retirement
8 systems referred to in paragraph (1); or

9 “(C) for purposes of eligibility for separation in-
10 centives under this section, an employee who is in re-
11 ceipt of a decision notice of involuntary separation
12 for misconduct or unacceptable performance.

13 “(3) An employee who is at least 50 years of age and
14 has completed 20 years of service, or has at least 25 years
15 of service, may, pursuant to regulations promulgated under
16 this section, apply and be retired from the Department of
17 Defense and receive benefits in accordance with chapter 83
18 or 84 if the employee has been employed continuously with-
19 in the Department of Defense for more than 30 days before
20 the date on which the determination to conduct a reduction
21 or restructuring within 1 or more Department of Defense
22 components is approved pursuant to the program estab-
23 lished under subsection (a).

24 “(4)(A) Separation pay shall be paid in a lump sum
25 or in installments and shall be equal to the lesser of—

1 “(i) an amount equal to the amount the em-
2 ployee would be entitled to receive under section
3 5595(c) of this title, if the employee were entitled to
4 payment under such section; or

5 “(ii) \$25,000.

6 “(B) Separation pay shall not be a basis for payment,
7 and shall not be included in the computation, of any other
8 type of Government benefit. Separation pay shall not be
9 taken into account for the purpose of determining the
10 amount of any severance pay to which an individual may
11 be entitled under section 5595 of this title, based on any
12 other separation.

13 “(C) Separation pay, if paid in installments, shall
14 cease to be paid upon the recipient’s acceptance of employ-
15 ment by the Federal Government, or commencement of work
16 under a personal services contract as described in para-
17 graph (5).

18 “(5)(A) An employee who receives separation pay
19 under such program may not be reemployed by the Depart-
20 ment of Defense for a 12-month period beginning on the
21 effective date of the employee’s separation, unless this prohi-
22 bition is waived by the Secretary on a case-by-case basis.

23 “(B) An employee who receives separation pay under
24 this section on the basis of a separation occurring on or
25 after the date of the enactment of the Federal Workforce Re-

1 *structuring Act of 1994 (Public Law 103–236; 108 Stat.*
2 *111) and accepts employment with the Government of the*
3 *United States, or who commences work through a personal*
4 *services contract with the United States within 5 years after*
5 *the date of the separation on which payment of the separa-*
6 *tion pay is based, shall be required to repay the entire*
7 *amount of the separation pay to the Department of Defense.*
8 *If the employment is with an Executive agency (as defined*
9 *by section 105 of this title) other than the Department of*
10 *Defense, the Director may, at the request of the head of that*
11 *agency, waive the repayment if the individual involved pos-*
12 *sesses unique abilities and is the only qualified applicant*
13 *available for the position. If the employment is within the*
14 *Department of Defense, the Secretary may waive the repay-*
15 *ment if the individual involved is the only qualified appli-*
16 *cant available for the position. If the employment is with*
17 *an entity in the legislative branch, the head of the entity*
18 *or the appointing official may waive the repayment if the*
19 *individual involved possesses unique abilities and is the*
20 *only qualified applicant available for the position. If the*
21 *employment is with the judicial branch, the Director of the*
22 *Administrative Office of the United States Courts may*
23 *wave the repayment if the individual involved possesses*
24 *unique abilities and is the only qualified applicant avail-*
25 *able for the position.*

1 “(6) *Under this program, early retirement and separa-*
2 *tion pay may be offered only pursuant to regulations estab-*
3 *lished by the Secretary, subject to such limitations or condi-*
4 *tions as the Secretary may require.*

5 “(i) *PROVISIONS RELATING TO REEMPLOYMENT.—If*
6 *annuitant receiving an annuity from the Civil Service Re-*
7 *tirement and Disability Fund becomes employed in a posi-*
8 *tion within the Department of Defense, his annuity shall*
9 *continue. An annuitant so reemployed shall not be consid-*
10 *ered an employee for purposes of chapter 83 or 84.*

11 “(j) *ADDITIONAL PROVISIONS RELATING TO PER-*
12 *SONNEL MANAGEMENT.—Notwithstanding subsection (c),*
13 *the Secretary may exercise authorities that would otherwise*
14 *be available to the Secretary under paragraphs (1), (3), and*
15 *(8) of section 4703(a) of this title.*

16 “**§ 9903. Attracting highly qualified experts**

17 “(a) *IN GENERAL.—The Secretary may carry out a*
18 *program using the authority provided in subsection (b) in*
19 *order to attract highly qualified experts in needed occupa-*
20 *tions, as determined by the Secretary.*

21 “(b) *AUTHORITY.—Under the program, the Secretary*
22 *may—*

23 “(1) *appoint personnel from outside the civil*
24 *service and uniformed services (as such terms are de-*
25 *finied in section 2101 of this title) to positions in the*

1 *Department of Defense without regard to any provi-*
2 *sion of this title governing the appointment of em-*
3 *ployees to positions in the Department of Defense;*

4 *“(2) prescribe the rates of basic pay for positions*
5 *to which employees are appointed under paragraph*
6 *(1) at rates not in excess of the maximum rate of*
7 *basic pay authorized for senior-level positions under*
8 *section 5376 of this title, as increased by locality-*
9 *based comparability payments under section 5304 of*
10 *this title, notwithstanding any provision of this title*
11 *governing the rates of pay or classification of employ-*
12 *ees in the executive branch; and*

13 *“(3) pay any employee appointed under para-*
14 *graph (1) payments in addition to basic pay within*
15 *the limits applicable to the employee under subsection*
16 *(d).*

17 *“(c) LIMITATION ON TERM OF APPOINTMENT.—(1) Ex-*
18 *cept as provided in paragraph (2), the service of an em-*
19 *ployee under an appointment made pursuant to this section*
20 *may not exceed 5 years.*

21 *“(2) The Secretary may, in the case of a particular*
22 *employee, extend the period to which service is limited*
23 *under paragraph (1) by up to 1 additional year if the Sec-*
24 *retary determines that such action is necessary to promote*
25 *the Department of Defense’s national security missions.*

1 “(d) *LIMITATIONS ON ADDITIONAL PAYMENTS.—(1)*

2 *The total amount of the additional payments paid to an*
3 *employee under this section for any 12-month period may*
4 *not exceed the lesser of the following amounts:*

5 “(A) *\$50,000 in fiscal year 2004, which may be*
6 *adjusted annually thereafter by the Secretary, with a*
7 *percentage increase equal to one-half of 1 percentage*
8 *point less than the percentage by which the Employ-*
9 *ment Cost Index, published quarterly by the Bureau*
10 *of Labor Statistics, for the base quarter of the year*
11 *before the preceding calendar year exceeds the Em-*
12 *ployment Cost Index for the base quarter of the second*
13 *year before the preceding calendar year.*

14 “(B) *The amount equal to 50 percent of the em-*
15 *ployee’s annual rate of basic pay.*

16 *For purposes of this paragraph, the term ‘base quarter’ has*
17 *the meaning given such term by section 5302(3).*

18 “(2) *An employee appointed under this section is not*
19 *eligible for any bonus, monetary award, or other monetary*
20 *incentive for service except for payments authorized under*
21 *this section.*

22 “(3) *Notwithstanding any other provision of this sub-*
23 *section or of section 5307, no additional payments may be*
24 *paid to an employee under this section in any calendar*
25 *year if, or to the extent that, the employee’s total annual*

1 *compensation will exceed the maximum amount of total an-*
2 *nual compensation payable at the salary set in accordance*
3 *with section 104 of title 3.*

4 “(e) *SAVINGS PROVISIONS.*—*In the event that the Sec-*
5 *retary terminates this program, in the case of an employee*
6 *who, on the day before the termination of the program, is*
7 *serving in a position pursuant to an appointment under*
8 *this section—*

9 “(1) *the termination of the program does not ter-*
10 *minate the employee’s employment in that position*
11 *before the expiration of the lesser of—*

12 “(A) *the period for which the employee was*
13 *appointed; or*

14 “(B) *the period to which the employee’s*
15 *service is limited under subsection (c), including*
16 *any extension made under this section before the*
17 *termination of the program; and*

18 “(2) *the rate of basic pay prescribed for the posi-*
19 *tion under this section may not be reduced as long as*
20 *the employee continues to serve in the position with-*
21 *out a break in service.*

22 **“§ 9904. Employment of older Americans**

23 “(a) *IN GENERAL.*—*Notwithstanding any other provi-*
24 *sion of law, the Secretary may appoint older Americans*

1 *into positions in the excepted service for a period not to*
2 *exceed 2 years, provided that—*

3 *“(1) any such appointment shall not result in—*

4 *“(A) the displacement of individuals cur-*
5 *rently employed by the Department of Defense*
6 *(including partial displacement through reduc-*
7 *tion of nonovertime hours, wages, or employment*
8 *benefits); or*

9 *“(B) the employment of any individual*
10 *when any other person is in a reduction-in-force*
11 *status from the same or substantially equivalent*
12 *job within the Department of Defense; and*

13 *“(2) the individual to be appointed is otherwise*
14 *qualified for the position, as determined by the Sec-*
15 *retary.*

16 *“(b) EFFECT ON EXISTING RETIREMENT BENEFITS.—*
17 *Notwithstanding any other provision of law, an individual*
18 *appointed pursuant to subsection (a) who otherwise is re-*
19 *ceiving an annuity, pension, retired pay, or other similar*
20 *payment shall not have the amount of said annuity, pen-*
21 *sion, or other similar payment reduced as a result of such*
22 *employment.*

23 *“(c) EXTENSION OF APPOINTMENT.—Notwithstanding*
24 *subsection (a), the Secretary may extend an appointment*
25 *made pursuant to this section for up to an additional 2*

1 *years if the individual employee possesses unique knowledge*
2 *or abilities that are not otherwise available to the Depart-*
3 *ment of Defense.*

4 “(d) *DEFINITION.*—*For purposes of this section, the*
5 *term ‘older American’ means any citizen of the United*
6 *States who is at least 55 years of age.*

7 ***“§ 9905. Special pay and benefits for certain employ-***
8 ***ees outside the United States***

9 “*The Secretary may provide to certain civilian em-*
10 *ployees of the Department of Defense assigned to activities*
11 *outside the United States as determined by the Secretary*
12 *to be in support of Department of Defense activities abroad*
13 *hazardous to life or health or so specialized because of secu-*
14 *rity requirements as to be clearly distinguishable from nor-*
15 *mal Government employment—*

16 “(1) *allowances and benefits—*

17 “(A) *comparable to those provided by the*
18 *Secretary of State to members of the Foreign*
19 *Service under chapter 9 of title I of the Foreign*
20 *Service Act of 1980 (Public Law 96–465, 22*
21 *U.S.C. 4081 et seq.) or any other provision of*
22 *law; or*

23 “(B) *comparable to those provided by the*
24 *Director of Central Intelligence to personnel of*
25 *the Central Intelligence Agency; and*

1 “(2) *special retirement accrual benefits and dis-*
2 *ability in the same manner provided for by the Cen-*
3 *tral Intelligence Agency Retirement Act (50 U.S.C.*
4 *2001 et seq.) and in section 18 of the Central Intel-*
5 *ligence Agency Act of 1949 (50 U.S.C. 403r).”.*

6 (2) *The table of chapters for part III of such title is*
7 *amended by adding at the end of subpart I the following*
8 *new item:*

 “99. *Department of Defense National Security Personnel System 9901”.*

9 (b) *IMPACT ON DEPARTMENT OF DEFENSE CIVILIAN*
10 *PERSONNEL.—(1) Any exercise of authority under chapter*
11 *99 of such title (as added by subsection (a)), including*
12 *under any system established under such chapter, shall be*
13 *in conformance with the requirements of this subsection.*

14 (2) *No other provision of this Act or of any amendment*
15 *made by this Act may be construed or applied in a manner*
16 *so as to limit, supersede, or otherwise affect the provisions*
17 *of this section, except to the extent that it does so by specific*
18 *reference to this section.*

1 **TITLE XII—MATTERS RELATING**
2 **TO OTHER NATIONS**

3 **SEC. 1201. EXPANSION OF AUTHORITY TO PROVIDE ADMIN-**
4 **ISTRATIVE SUPPORT AND SERVICES AND**
5 **TRAVEL AND SUBSISTENCE EXPENSES FOR**
6 **CERTAIN FOREIGN LIAISON OFFICERS.**

7 *(a) ADMINISTRATIVE SUPPORT AND SERVICES.—Sub-*
8 *section (a) of section 1051a of title 10, United States Code,*
9 *is amended—*

10 *(1) by striking “involved in a coalition with the*
11 *United States”;*

12 *(2) by striking “temporarily”; and*

13 *(3) by striking “ in connection with the plan-*
14 *ning for, or conduct of, a coalition operation”.*

15 *(b) TRAVEL, SUBSISTENCE, AND OTHER EXPENSES.—*
16 *Subsection (b) of such section is amended—*

17 *(1) by striking “(1)”;*

18 *(2) by striking “expenses specified in paragraph*
19 *(2)” and inserting “travel, subsistence, and similar*
20 *personal expenses”;*

21 *(3) by striking “developing country” and insert-*
22 *ing “developing nation”;*

23 *(4) by striking “in connection with the assign-*
24 *ment of that officer to the headquarters of a combat-*
25 *ant command as described in subsection (a)” and in-*

1 serting “involved in a coalition while the liaison offi-
2 cer is assigned temporarily to a headquarters de-
3 scribed in subsection (a) in connection with the plan-
4 ning for, or conduct of, a coalition operation”; and
5 (5) by striking paragraph (2).

6 (c) REIMBURSEMENT.—Subsection (c) of such section
7 is amended by striking “by” before “subsection (a)” and
8 inserting “under”.

9 (d) CLERICAL AMENDMENTS.—(1) The heading for sec-
10 tion 1051a of such title is amended to read as follows:

11 “**§ 1051a. Foreign officers: administrative services and**
12 **support; travel, subsistence, and other**
13 **personal expenses”.**

14 (2) The subsection heading for subsection (a) is amend-
15 ed by striking “AUTHORITY” and inserting “ADMINISTRA-
16 TIVE SERVICES AND SUPPORT”.

17 (3) The item relating to such section in the table of
18 sections at the beginning of chapter 53 of each title is
19 amended to read as follows:

“1051a. Foreign officers: administrative services and support; travel, subsistence,
and other personal expenses.”.

1 **SEC. 1202. RECOGNITION OF SUPERIOR NONCOMBAT**
2 **ACHIEVEMENTS OR PERFORMANCE BY MEM-**
3 **BERS OF FRIENDLY FOREIGN FORCES AND**
4 **OTHER FOREIGN NATIONALS.**

5 (a) *AUTHORITY.*—Chapter 53 of title 10, United States
6 Code, is amended by inserting after section 1051a the fol-
7 lowing new section:

8 **“§ 1051b. Bilateral or regional cooperation programs:**
9 **awards and mementos funds to recognize**
10 **superior noncombat achievements or per-**
11 **formance**

12 “(a) *GENERAL AUTHORITY.*—The Secretary of Defense
13 may present awards and mementos purchased with funds
14 appropriated for operation and maintenance of the armed
15 forces to recognize superior noncombat achievements or per-
16 formance by members of friendly foreign forces and other
17 foreign nationals that significantly enhance or support the
18 National Security Strategy of the United States.

19 “(b) *ACTIVITIES THAT MAY BE RECOGNIZED.*—Ac-
20 tivities that may be recognized under subsection (a) include
21 superior achievement or performance that—

22 “(1) plays a crucial role in shaping the inter-
23 national security environment in ways that protect
24 and promote United States interests;

25 “(2) supports or enhances United States overseas
26 presence and peacetime engagement activities, includ-

1 *ing defense cooperation initiatives, security assistance*
2 *training and programs, and training and exercises*
3 *with the armed forces;*

4 *“(3) helps to deter aggression and coercion, build*
5 *coalitions, and promote regional stability; or*

6 *“(4) serves as a role model for appropriate con-*
7 *duct by military forces in emerging democracies.*

8 *“(c) LIMITATION.—Expenditures for the purchase or*
9 *production of mementos for award under this section may*
10 *not exceed the ‘minimal value’ established in accordance*
11 *with section 7342(a)(5) of title 5.”.*

12 *(b) CLERICAL AMENDMENT.—The table of sections at*
13 *the beginning of such chapter is amended by inserting after*
14 *the item relating to section 1051a the following new item:*

“1051b. Bilateral or regional cooperation programs: awards and mementos to recognize superior noncombat achievements or performance.”.

15 ***SEC. 1203. EXPANSION OF AUTHORITY TO WAIVE CHARGES***
16 ***FOR COSTS OF ATTENDANCE AT GEORGE C.***
17 ***MARSHALL EUROPEAN CENTER FOR SECU-***
18 ***RITY STUDIES.***

19 *Section 1306(b)(1) of the National Defense Authoriza-*
20 *tion Act for Fiscal Year 1995 (Public Law 103-337; 108*
21 *Stat. 2892) is amended by striking “of cooperation partner*
22 *states of the North Atlantic Council or the Partnership for*
23 *Peace” and inserting “from states located in Europe or the*
24 *territory of the former Soviet Union”.*

1 **SEC. 1204. IDENTIFICATION OF GOODS AND TECHNOLOGIES**

2 **CRITICAL FOR MILITARY SUPERIORITY.**

3 (a) *IN GENERAL.*—(1) *Subchapter II of chapter 148*
4 *of title 10, United States Code, is amended by adding at*
5 *the end the following new section:*

6 **“§2508. Goods and technologies critical for military**
7 **superiority: list**

8 “(a) *REQUIREMENT TO MAINTAIN LIST.*—(1) *The Sec-*
9 *retary of Defense shall maintain a list of any goods or tech-*
10 *nology that, if obtained by a potential adversary, could un-*
11 *dermine the military superiority or qualitative military*
12 *advantage of the United States over potential adversaries.*

13 “(2) *In this section, the term ‘goods or technology’*
14 *means—*

15 “(A) *any article, natural or manmade substance,*
16 *material, supply, or manufactured product, including*
17 *inspection and test equipment; and*

18 “(B) *any information and know-how (whether in*
19 *tangible form, such as models, prototypes, drawings,*
20 *sketches, diagrams, blueprints, or manuals, or in in-*
21 *tangible form, such as training or technical services)*
22 *that can be used to design, produce, manufacture, uti-*
23 *lize, or reconstruct goods, including computer software*
24 *and technical data.*

25 “(b) *MATTERS TO BE INCLUDED ON LIST.*—*The Sec-*
26 *retary shall include on the list the following:*

1 “(1) *Any technology or developing critical tech-*
2 *nology (including conventional weapons, weapons of*
3 *mass destruction, and delivery systems) that could en-*
4 *hance a potential adversary’s military capabilities or*
5 *that is critical to the United States maintaining its*
6 *military superiority and qualitative military advan-*
7 *tage.*

8 “(2) *Any dual-use good, material, or know-how*
9 *that could enhance a potential adversary’s military*
10 *capabilities or that is critical to the United States*
11 *maintaining its military superiority and qualitative*
12 *military advantage, including those used to manufac-*
13 *ture weapons of mass destruction and their associated*
14 *delivery systems.*

15 “(c) *REQUIREMENTS.—The Secretary shall ensure*
16 *that—*

17 “(1) *the list is subject to a systematic, ongoing*
18 *assessment and analysis of dual-use technologies; and*

19 “(2) *the list is updated not less often than every*
20 *two months.*

21 “(d) *AVAILABILITY.—The list shall be made avail-*
22 *able—*

23 “(1) *in unclassified form on the Department of*
24 *Defense public website, in a usable form; and*

1 “(2) in classified form to the Committee on
2 Armed Services of the Senate and the Committee on
3 Armed Services of the House of Representatives.”.

4 (2) The table of sections at the beginning of such sub-
5 chapter is amended by adding at the end the following new
6 item:

 “2508. Goods and technologies critical for military superiority: list.”.

7 (b) *DEADLINE FOR ESTABLISHMENT.*—The list re-
8 quired by section 2508 of title 10, United States Code, as
9 added by subsection (a), shall be established not later than
10 180 days after the enactment of this Act.

11 **SEC. 1205. REPORT ON ACQUISITION BY IRAQ OF AD-**
12 **VANCED WEAPONS.**

13 (a) *REPORT.*—Not later than one year after the date
14 of the enactment of this Act, the Secretary of Defense shall
15 submit to the Committees on Armed Services and Foreign
16 Relations of the Senate and the Committees on Armed Serv-
17 ices and International Relations of the House of Represent-
18 atives a report on the acquisition by Iraq of weapons of
19 mass destruction and associated delivery systems and the
20 acquisition by Iraq of advanced conventional weapons.

21 (b) *MATTERS TO BE INCLUDED.*—The report shall in-
22 clude the following:

23 (1) A description of how Iraq was able to obtain
24 any materials, technology, and know-how for its nu-
25 clear, chemical, biological, ballistic missile, and un-

1 *manned aerial vehicle programs, and advanced con-*
2 *ventional weapons programs, from 1979 through*
3 *April 2003 from entities (including Iraqi citizens)*
4 *outside of Iraq.*

5 *(2) An assessment of the degree to which United*
6 *States, foreign, and multilateral export control re-*
7 *gimes prevented acquisition by Iraq of weapons of*
8 *mass destruction-related technology and materials*
9 *and advanced conventional weapons and delivery sys-*
10 *tems since the commencement of international inspec-*
11 *tions in Iraq.*

12 *(3) An assessment of the effectiveness of United*
13 *Nations sanctions at halting the flow of militarily-*
14 *useful contraband to Iraq from 1991 until the end of*
15 *Operation Iraqi Freedom.*

16 *(4) An assessment of how Iraq was able to evade*
17 *International Atomic Energy Agency and United Na-*
18 *tions inspections regarding chemical, nuclear, biologi-*
19 *cal, and missile weapons and related capabilities.*

20 *(5) Identification and a catalogue of the entities*
21 *and countries that transferred militarily useful con-*
22 *traband to Iraq between 1991 and the end of Oper-*
23 *ation Iraqi Freedom, and the nature of that contra-*
24 *band.*

1 (c) *FORM OF REPORT.*—The report shall be submitted
2 in unclassified form with a classified annex, if necessary.

3 **SEC. 1206. AUTHORITY FOR CHECK CASHING AND CUR-**
4 **RENCY EXCHANGE SERVICES TO BE PRO-**
5 **VIDED TO FOREIGN MILITARY MEMBERS PAR-**
6 **TICIPATING IN CERTAIN ACTIVITIES WITH**
7 **UNITED STATES FORCES.**

8 (a) *AUTHORITY.*—Subsection (b) of section 3342 of
9 title 31, United States Code, is amended by adding at the
10 end the following new paragraph:

11 “(8) A member of the military forces of an allied
12 or coalition nation who is participating in a joint
13 operation, joint exercise, humanitarian mission, or
14 peacekeeping mission with the Armed Forces of the
15 United States, but—

16 “(A) only if—

17 “(i) such disbursing official action for
18 members of the military forces of that na-
19 tion is approved by the senior United States
20 military commander assigned to that oper-
21 ation or mission; and

22 “(ii) that nation has guaranteed pay-
23 ment for any deficiency resulting from such
24 disbursing official action; and

1 “(B) in the case of negotiable instruments,
2 only for a negotiable instrument drawn on a fi-
3 nancial institution located in the United States
4 or on a foreign branch of such an institution.”.

5 (b) *TECHNICAL AMENDMENTS.*—That subsection is
6 further amended—

7 (1) by striking “only for—” in the matter pre-
8 ceding paragraph (1) and inserting “only for the fol-
9 lowing:”;

10 (2) by striking “an” at the beginning of para-
11 graph (1) and inserting “An”;

12 (3) by striking “personnel” in paragraphs (2)
13 and (6) and inserting “Personnel”;

14 (4) by striking “a” at the beginning of para-
15 graphs (3), (4), (5), and (7) and inserting “A”;

16 (5) by striking the semicolon at the end of para-
17 graphs (1) through (5) and inserting a period;

18 (6) by striking “; or” at the end of paragraph
19 (6) and inserting a period; and

20 (7) by striking “1752(1))” in paragraph (7) and
21 inserting “1752(1))”.

1 **SEC. 1207. REQUIREMENTS FOR TRANSFER TO FOREIGN**
2 **COUNTRIES OF CERTAIN SPECIFIED TYPES**
3 **OF EXCESS AIRCRAFT.**

4 (a) *EXPANSION OF TRANSFER REQUIREMENT.*—Sec-
5 tion 2581 of title 10, United States Code, is amended—

6 (1) in subsection (a)(1), by striking “UH-1
7 Huey helicopter or AH-1 Cobra helicopter” and in-
8 serting “UH-1 Huey aircraft, AH-1 Cobra aircraft,
9 T-2 Buckeye aircraft, or T-37 Tweet aircraft”; and

10 (2) by striking “helicopter” each subsequent
11 place it appears in such section and inserting “air-
12 craft”.

13 (b) *CLERICAL AMENDMENTS.*—(1) The heading of such
14 section is amended to read as follows:

15 **“§2581. Specified excess aircraft: requirements for**
16 **transfer to foreign countries”.**

17 (2) The item relating to such section in the table of
18 sections at the beginning of chapter 153 of such title is
19 amended to read as follows:

“2581. Specified excess aircraft: requirements for transfer to foreign countries.”.

20 **SEC. 1208. LIMITATION ON NUMBER OF UNITED STATES**
21 **MILITARY PERSONNEL IN COLOMBIA.**

22 (a) *LIMITATION.*—None of the funds available to the
23 Department of Defense for any fiscal year may be used to
24 support or maintain more than 500 members of the Armed
25 Forces on duty in the Republic of Colombia at any time.

1 **(b) EXCLUSION OF CERTAIN MEMBERS.**—*For purposes*
2 *of determining compliance with the limitation in subsection*
3 *(a), the Secretary of Defense may exclude the following mili-*
4 *tary personnel:*

5 (1) *A member of the Armed Forces in the Repub-*
6 *lic of Colombia for the purpose of rescuing or retriev-*
7 *ing United States military or civilian Government*
8 *personnel, except that the period for which such a*
9 *member may be so excluded may not exceed 30 days*
10 *unless expressly authorized by law.*

11 (2) *A member of the Armed Forces assigned to*
12 *the United States Embassy in Colombia as an*
13 *attaché, as a member of the security assistance office,*
14 *or as a member of the Marine Corps security contin-*
15 *gent.*

16 (3) *A member of the Armed Forces in Colombia*
17 *to participate in relief efforts in responding to a nat-*
18 *ural disaster.*

19 (4) *Nonoperational transient military personnel.*

20 (5) *A member of the Armed Forces making a*
21 *port call from a military vessel in Colombia.*

22 **(c) NATIONAL SECURITY WAIVER.**—(1) *The Secretary*
23 *of Defense may waive the limitation in subsection (a) if*
24 *the Secretary determines that such waiver is in the national*
25 *security interest of the United States.*

1 (2) *The Secretary shall notify the congressional defense*
2 *committees not later 15 days after the date of the exercise*
3 *of the waiver authority under paragraph (1).*

4 **TITLE XIII—COOPERATIVE**
5 **THREAT REDUCTION WITH**
6 **STATES OF THE FORMER SO-**
7 **VIET UNION**

8 **SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT RE-**
9 **DUCTION PROGRAMS AND FUNDS.**

10 (a) *SPECIFICATION OF CTR PROGRAMS.—For pur-*
11 *poses of section 301 and other provisions of this Act, Coop-*
12 *erative Threat Reduction programs are the programs speci-*
13 *fied in section 1501(b) of the National Defense Authoriza-*
14 *tion Act for Fiscal Year 1997 (Public Law 104–201; 110*
15 *Stat. 2731; 50 U.S.C. 2362 note).*

16 (b) *FISCAL YEAR 2004 COOPERATIVE THREAT REDUC-*
17 *TION FUNDS DEFINED.—As used in this title, the term “fis-*
18 *cal year 2004 Cooperative Threat Reduction funds” means*
19 *the funds appropriated pursuant to the authorization of ap-*
20 *propriations in section 301 for Cooperative Threat Reduc-*
21 *tion programs.*

22 (c) *AVAILABILITY OF FUNDS.—Funds appropriated*
23 *pursuant to the authorization of appropriations in section*
24 *301 for Cooperative Threat Reduction programs shall be*
25 *available for obligation for three fiscal years.*

1 **SEC. 1302. FUNDING ALLOCATIONS.**

2 (a) *FUNDING FOR SPECIFIC PURPOSES.*—Of the
3 \$450,800,000 authorized to be appropriated to the Depart-
4 ment of Defense for fiscal year 2004 in section 301(19) for
5 Cooperative Threat Reduction programs, the following
6 amounts may be obligated for the purposes specified:

7 (1) *For strategic offensive arms elimination in*
8 *Russia, \$86,400,000.*

9 (2) *For strategic nuclear arms elimination in*
10 *Ukraine, \$3,900,000.*

11 (3) *For nuclear weapons transportation security*
12 *in Russia, \$23,200,000.*

13 (4) *For nuclear weapons storage security in Rus-*
14 *sia, \$48,000,000.*

15 (5) *For activities designated as Other Program*
16 *Support, \$13,100,000.*

17 (6) *For defense and military contacts,*
18 *\$11,100,000.*

19 (7) *For chemical weapons destruction in Russia,*
20 *\$171,500,000.*

21 (8) *For biological weapons proliferation preven-*
22 *tion in the former Soviet Union, \$54,200,000.*

23 (9) *For weapons of mass destruction prolifera-*
24 *tion prevention in the states of the former Soviet*
25 *Union, \$39,400,000.*

1 (b) *REPORT ON OBLIGATION OR EXPENDITURE OF*
2 *FUNDS FOR OTHER PURPOSES.*—*No fiscal year 2004 Coop-*
3 *erative Threat Reduction funds may be obligated or ex-*
4 *pended for a purpose other than a purpose listed in para-*
5 *graphs (1) through (9) of subsection (a) until 30 days after*
6 *the date that the Secretary of Defense submits to Congress*
7 *a report on the purpose for which the funds will be obligated*
8 *or expended and the amount of funds to be obligated or ex-*
9 *pended. Nothing in the preceding sentence shall be construed*
10 *as authorizing the obligation or expenditure of fiscal year*
11 *2004 Cooperative Threat Reduction funds for a purpose for*
12 *which the obligation or expenditure of such funds is specifi-*
13 *cally prohibited under this title or any other provision of*
14 *law.*

15 (c) *LIMITED AUTHORITY TO VARY INDIVIDUAL*
16 *AMOUNTS.*—(1) *Subject to paragraphs (2) and (3), in any*
17 *case in which the Secretary of Defense determines that it*
18 *is necessary to do so in the national interest, the Secretary*
19 *may obligate amounts appropriated for fiscal year 2004 for*
20 *a purpose listed in any of the paragraphs in subsection (a)*
21 *in excess of the specific amount authorized for that purpose.*

22 (2) *An obligation of funds for a purpose stated in any*
23 *of the paragraphs in subsection (a) in excess of the specific*
24 *amount authorized for such purpose may be made using*
25 *the authority provided in paragraph (1) only after—*

1 (A) the Secretary submits to Congress notifica-
2 tion of the intent to do so together with a complete
3 discussion of the justification for doing so; and

4 (B) 15 days have elapsed following the date of
5 the notification.

6 (3) The Secretary may not, under the authority pro-
7 vided in paragraph (1), obligate amounts for a purpose
8 stated in any of paragraphs (5) through (8) of subsection
9 (a) in excess of 125 percent of the specific amount author-
10 ized for such purpose.

11 **SEC. 1303. LIMITATION ON USE OF FUNDS UNTIL CERTAIN**
12 **PERMITS OBTAINED.**

13 (a) *LIMITATION ON USE OF FUNDS.*—With respect to
14 a new project or an incomplete project carried out by the
15 Department of Defense under Cooperative Threat Reduction
16 programs, not more than 35 percent of the total costs of
17 the project may be obligated or expended from Cooperative
18 Threat Reduction funds for any fiscal year until—

19 (1) the Secretary of Defense determines—

20 (A) in the case of a new project, the number
21 and type of permits that may be required for the
22 lifetime of the project in the proposed location or
23 locations of the project; and

24 (B) in the case of an incomplete project, the
25 number and type of permits that may be re-

1 *quired for the remaining lifetime of the project;*
2 *and*

3 *(2) the government of the state of the former So-*
4 *viet Union in which the project is being or is pro-*
5 *posed to be carried out obtains and transmits copies*
6 *of all such permits to the Department of Defense.*

7 *(b) DEFINITIONS.—In this section, with respect to a*
8 *project under Cooperative Threat Reduction programs:*

9 *(1) NEW PROJECT.—The term “new project”*
10 *means a project for which no funds have been obli-*
11 *gated or expended as of the date of the enactment of*
12 *this Act.*

13 *(2) INCOMPLETE PROJECT.—The term “incom-*
14 *plete project” means a project for which funds have*
15 *been obligated or expended before the date of the en-*
16 *actment of this Act and which is not completed as of*
17 *such date.*

18 *(3) PERMIT.—The term “permit” means any*
19 *local or national permit for development, general con-*
20 *struction, environmental, land use, or other purposes*
21 *that is required in the state of the former Soviet*
22 *Union in which the project is being or is proposed to*
23 *be carried out.*

1 **SEC. 1304. LIMITATION ON USE OF FUNDS FOR BIOLOGICAL**
2 **RESEARCH IN THE FORMER SOVIET UNION.**

3 *Of the funds authorized to be appropriated for biologi-*
4 *cal weapons proliferation prevention pursuant to section*
5 *1302, no funds may be obligated for cooperative biodefense*
6 *research or bioattack early warning and preparedness*
7 *under a Cooperative Threat Reduction program at a site*
8 *in a state of the former Soviet Union until the Secretary*
9 *of Defense notifies Congress that—*

10 *(1) the Secretary has determined, through access*
11 *to the site, that no biological weapons research pro-*
12 *hibited by international law is being conducted at the*
13 *site;*

14 *(2) the Secretary has assessed the vulnerability of*
15 *the site to external or internal attempts to exploit or*
16 *obtain dangerous pathogens illicitly; and*

17 *(3) the Secretary has begun to implement appro-*
18 *priate security measures at the site to reduce that vul-*
19 *nerability and to prevent the diversion of dangerous*
20 *pathogens from legitimate research.*

21 **SEC. 1305. AUTHORITY AND FUNDS FOR NONPROLIFERA-**
22 **TION AND DISARMAMENT.**

23 *The Secretary of Defense is authorized to transfer*
24 *\$50,000,000 in prior year Cooperative Threat Reduction*
25 *funds from the Department of Defense to the Department*
26 *of State Nonproliferation and Disarmament Fund for dis-*

1 *armament and nonproliferation purposes outside the terri-*
2 *tory of the former Soviet Union.*

3 **SEC. 1306. REQUIREMENT FOR ON-SITE MANAGERS.**

4 (a) *ON-SITE MANAGER REQUIREMENT.*—*Before obli-*
5 *gating any Cooperative Threat Reduction funds for a*
6 *project described in subsection (b), the Secretary of Defense*
7 *shall appoint a United States Federal Government em-*
8 *ployee as an on-site manager.*

9 (b) *PROJECTS COVERED.*—*Subsection (a) applies to a*
10 *project—*

11 (1) *to be located in a state of the former Soviet*
12 *Union;*

13 (2) *which involves dismantlement, destruction, or*
14 *storage facilities, or construction of a facility; and*

15 (3) *with respect to which the total contribution*
16 *by the Department of Defense is expected to exceed*
17 *\$25,000,000.*

18 (c) *DUTIES OF ON-SITE MANAGER.*—*The on-site man-*
19 *ager appointed under subsection (a) shall—*

20 (1) *develop, in cooperation with representatives*
21 *from governments of countries participating in the*
22 *project, a list of those steps or activities critical to*
23 *achieving the project's disarmament or nonprolifera-*
24 *tion goals;*

1 (2) *establish a schedule for completing those steps*
2 *or activities;*

3 (3) *meet with all participants to seek assurances*
4 *that those steps or activities are being completed on*
5 *schedule; and*

6 (4) *suspend United States participation in a*
7 *project when a non-United States participant fails to*
8 *complete a scheduled step or activity on time, unless*
9 *directed by the Secretary of Defense to resume United*
10 *States participation.*

11 (d) *STEPS OR ACTIVITIES.*—*Steps or activities referred*
12 *to in subsection (c)(1) are those activities that, if not com-*
13 *pleted, will prevent a project from achieving its disar-*
14 *mament or nonproliferation goals, including, at a min-*
15 *imum, the following:*

16 (1) *Identification and acquisition of permits (as*
17 *defined in section 1303(b)).*

18 (2) *Verification that the items, substances, or ca-*
19 *pacilities to be dismantled, secured, or otherwise*
20 *modified are available for dismantlement, securing, or*
21 *modification.*

22 (3) *Timely provision of financial, personnel,*
23 *management, transportation, and other resources.*

24 (e) *NOTIFICATION TO CONGRESS.*—*In any case in*
25 *which the Secretary of Defense directs an on-site manager*

1 to resume United States participation in a project under
2 subsection (c)(4), the Secretary shall concurrently notify
3 Congress of such direction.

4 (f) *EFFECTIVE DATE.*—This section shall take effect six
5 months after the date of the enactment of this Act.

6 **SEC. 1307. PROVISIONS RELATING TO FUNDING FOR CHEM-**
7 **ICAL WEAPONS DESTRUCTION FACILITY IN**
8 **RUSSIA.**

9 (a) *INAPPLICABILITY OF LIMITATION ON USE OF*
10 *FUNDS.*—(1) The conditions described in section 1305 of
11 the National Defense Authorization Act for Fiscal Year
12 2000 (Public Law 106–65; 22 U.S.C. 5952 note) shall not
13 apply to the obligation and expenditure of funds available
14 for obligation during fiscal year 2004 for the planning, de-
15 sign, or construction of a chemical weapons destruction fa-
16 cility in Russia if the President submits to Congress a writ-
17 ten certification that includes—

18 (A) a statement as to why waiving the condi-
19 tions is important to the national security interests
20 of the United States;

21 (B) a full and complete justification for exer-
22 cising this waiver; and

23 (C) a plan to promote a full and accurate disclo-
24 sure by Russia regarding the size, content, status, and
25 location of its chemical weapons stockpile.

1 (2) *The authority under paragraph (1) shall expire on*
2 *September 30, 2004.*

3 (b) *AVAILABILITY OF FUNDS.—(1) Except as provided*
4 *in paragraph (2), of the funds that may be obligated for*
5 *a chemical weapons destruction facility in Russia as speci-*
6 *fied in section 1302(a)(7), the Secretary of Defense may not*
7 *obligate an amount greater than two times the amount obli-*
8 *gated by Russia and any other state for the planning, de-*
9 *sign, construction, or operation of a chemical weapons de-*
10 *struction facility in Russia.*

11 (2) *Of the funds that may be obligated for a chemical*
12 *weapons destruction facility in Russia as specified in sec-*
13 *tion 1302(a)(7), \$71,500,000 shall be available for obliga-*
14 *tion on and after October 1, 2003.*

15 **TITLE XIV—SERVICES**
16 **ACQUISITION REFORM**

17 **SEC. 1401. SHORT TITLE.**

18 *This title may be cited as the “Services Acquisition*
19 *Reform Act of 2003”.*

20 **SEC. 1402. EXECUTIVE AGENCY DEFINED.**

21 *In this title, the term “executive agency” has the mean-*
22 *ing given that term in section 4(1) of the Office of Federal*
23 *Procurement Policy Act (41 U.S.C. 403(1)), unless specifi-*
24 *cally stated otherwise.*

1 ***Subtitle A—Acquisition Workforce***
2 ***and Training***

3 ***SEC. 1411. DEFINITION OF ACQUISITION.***

4 *Section 4 of the Office of Federal Procurement Policy*
5 *Act (41 U.S.C. 403) is amended by adding at the end the*
6 *following:*

7 “(16) The term ‘acquisition’—

8 “(A) means the process of acquiring, with
9 *appropriated funds, by contract for purchase or*
10 *lease, property or services (including construc-*
11 *tion) that support the missions and goals of an*
12 *executive agency, from the point at which the re-*
13 *quirements of the executive agency are estab-*
14 *lished in consultation with the chief acquisition*
15 *officer of the executive agency; and*

16 “(B) includes—

17 “(i) the process of acquiring property
18 *or services that are already in existence, or*
19 *that must be created, developed, dem-*
20 *onstrated, and evaluated;*

21 “(ii) the description of requirements to
22 *satisfy agency needs;*

23 “(iii) solicitation and selection of
24 *sources;*

25 “(iv) award of contracts;

1 “(v) contract performance;

2 “(vi) contract financing;

3 “(vii) management and measurement
4 of contract performance through final deliv-
5 ery and payment; and

6 “(viii) technical and management
7 functions directly related to the process of
8 fulfilling agency requirements by contract.”.

9 **SEC. 1412. ACQUISITION WORKFORCE TRAINING FUND.**

10 (a) *PURPOSES.*—*The purposes of this section are to en-*
11 *sure that the Federal acquisition workforce—*

12 (1) *adapts to fundamental changes in the nature*
13 *of Federal Government acquisition of property and*
14 *services associated with the changing roles of the Fed-*
15 *eral Government; and*

16 (2) *acquires new skills and a new perspective to*
17 *enable it to contribute effectively in the changing en-*
18 *vironment of the 21st century.*

19 (b) *ESTABLISHMENT OF FUND.*—*Section 37 of the Of-*
20 *fice of Federal Procurement Policy Act (41 U.S.C. 433) is*
21 *amended by adding at the end of subsection (h) the fol-*
22 *lowing new paragraph:*

23 “(3) *ACQUISITION WORKFORCE TRAINING*
24 *FUND.—(A) The Administrator of General Services*
25 *shall establish an acquisition workforce training fund.*

1 *The Administrator shall manage the fund through the*
2 *Federal Acquisition Institute to support the training*
3 *of the acquisition workforce of the executive agencies*
4 *other than the Department of Defense. The Adminis-*
5 *trator shall consult with the Administrator for Fed-*
6 *eral Procurement Policy in managing the fund.*

7 “(B) *There shall be credited to the acquisition*
8 *workforce training fund 5 percent of the fees collected*
9 *by executive agencies (other than the Department of*
10 *Defense) under the following contracts:*

11 “(i) *Governmentwide task and delivery-*
12 *order contracts entered into under sections 303H*
13 *and 303I of the Federal Property and Adminis-*
14 *trative Services Act of 1949 (41 U.S.C. 253h and*
15 *253i).*

16 “(ii) *Governmentwide contracts for the ac-*
17 *quisition of information technology as defined in*
18 *section 11101 of title 40, United States Code,*
19 *and multiagency acquisition contracts for such*
20 *technology authorized by section 11314 of such*
21 *title.*

22 “(iii) *Multiple-award schedule contracts en-*
23 *tered into by the Administrator of General Serv-*
24 *ices.*

1 *termine that certain Federal acquisition positions are*
2 *“shortage category” positions in order to recruit and ap-*
3 *point directly to positions of employment in the department*
4 *or agency highly qualified persons, such as any person*
5 *who—*

6 (1) *holds a bachelor’s degree from an accredited*
7 *institution of higher education;*

8 (2) *holds, from an accredited law school or an*
9 *accredited institution of higher education—*

10 (A) *a law degree; or*

11 (B) *a masters or equivalent degree in busi-*
12 *ness administration, public administration, or*
13 *systems engineering; or*

14 (3) *has significant experience with commercial*
15 *acquisition practices, terms, and conditions.*

16 (b) *REQUIREMENTS.—The exercise of authority to take*
17 *a personnel action under this section shall be subject to poli-*
18 *cies prescribed by the Office of Personnel Management that*
19 *govern direct recruitment, including policies requiring ap-*
20 *pointment of a preference eligible who satisfies the quali-*
21 *fication requirements.*

22 (c) *TERMINATION OF AUTHORITY.—The head of a de-*
23 *partment or agency may not appoint a person to a position*
24 *of employment under this section after September 30, 2007.*

1 (d) *REPORT.*—Not later than March 31, 2007, the Ad-
2 ministrators for Federal Procurement Policy shall submit to
3 Congress a report on the implementation of this section. The
4 report shall include—

5 (1) *the Administrator’s assessment of the efficacy*
6 *of the exercise of the authority provided in this sec-*
7 *tion in attracting employees with unusually high*
8 *qualifications to the acquisition workforce; and*

9 (2) *any recommendations considered appropriate*
10 *by the Administrator on whether the authority to*
11 *carry out the program should be extended.*

12 **SEC. 1414. ARCHITECTURAL AND ENGINEERING ACQUI-**
13 **TION WORKFORCE.**

14 *The Administrator for Federal Procurement Policy, in*
15 *consultation with the Secretary of Defense, the Adminis-*
16 *trator of General Services, and the Director of the Office*
17 *of Personnel Management, shall develop and implement a*
18 *plan to ensure that the Federal Government maintains the*
19 *necessary capability with respect to the acquisition of archi-*
20 *tectural and engineering services to—*

21 (1) *ensure that Federal Government employees*
22 *have the expertise to determine agency requirements*
23 *for such services;*

24 (2) *establish priorities and programs (including*
25 *acquisition plans);*

- 1 (3) *establish professional standards;*
2 (4) *develop scopes of work; and*
3 (5) *award and administer contracts for such*
4 *services.*

5 ***Subtitle B—Adaptation of Business***
6 ***Acquisition Practices***

7 ***PART I—ADAPTATION OF BUSINESS***

8 ***MANAGEMENT PRACTICES***

9 ***SEC. 1421. CHIEF ACQUISITION OFFICERS.***

10 (a) *APPOINTMENT OF CHIEF ACQUISITION OFFI-*
11 *CERS.—(1) Section 16 of the Office of Federal Procurement*
12 *Policy Act (41 U.S.C. 414) is amended to read as follows:*

13 ***“SEC. 16. CHIEF ACQUISITION OFFICERS.***

14 ***“(a) ESTABLISHMENT OF AGENCY CHIEF ACQUISITION***
15 *OFFICERS.—The head of each executive agency (other than*
16 *the Department of Defense) shall appoint or designate a*
17 *non-career employee as Chief Acquisition Officer for the*
18 *agency, who shall—*

19 ***“(1) have acquisition management as that offi-***
20 *cial’s primary duty; and*

21 ***“(2) advise and assist the head of the executive***
22 *agency and other agency officials to ensure that the*
23 *mission of the executive agency is achieved through*
24 *the management of the agency’s acquisition activities.*

1 “(b) *AUTHORITY AND FUNCTIONS OF AGENCY CHIEF*
2 *ACQUISITION OFFICERS.*—*The functions of each Chief Ac-*
3 *quisition Officer shall include—*

4 “(1) *monitoring the performance of acquisition*
5 *activities and acquisition programs of the executive*
6 *agency, evaluating the performance of those programs*
7 *on the basis of applicable performance measurements,*
8 *and advising the head of the executive agency regard-*
9 *ing the appropriate business strategy to achieve the*
10 *mission of the executive agency;*

11 “(2) *increasing the use of full and open competi-*
12 *tion in the acquisition of property and services by the*
13 *executive agency by establishing policies, procedures,*
14 *and practices that ensure that the executive agency re-*
15 *ceives a sufficient number of sealed bids or competi-*
16 *tive proposals from responsible sources to fulfill the*
17 *Government’s requirements (including performance*
18 *and delivery schedules) at the best value considering*
19 *the nature of the property or service procured;*

20 “(3) *making acquisition decisions consistent*
21 *with all applicable laws and establishing clear lines*
22 *of authority, accountability, and responsibility for ac-*
23 *quisition decisionmaking within the executive agency;*

24 “(4) *managing the direction of acquisition policy*
25 *for the executive agency, including implementation of*

1 *the unique acquisition policies, regulations, and*
2 *standards of the executive agency;*

3 “(5) *developing and maintaining an acquisition*
4 *career management program in the executive agency*
5 *to ensure that there is an adequate professional work-*
6 *force; and*

7 “(6) *as part of the strategic planning and per-*
8 *formance evaluation process required under section*
9 *306 of title 5, United States Code, and sections*
10 *1105(a)(28), 1115, 1116, and 9703 of title 31, United*
11 *States Code—*

12 “(A) *assessing the requirements established*
13 *for agency personnel regarding knowledge and*
14 *skill in acquisition resources management and*
15 *the adequacy of such requirements for facili-*
16 *tating the achievement of the performance goals*
17 *established for acquisition management;*

18 “(B) *in order to rectify any deficiency in*
19 *meeting such requirements, developing strategies*
20 *and specific plans for hiring, training, and pro-*
21 *fessional development; and*

22 “(C) *reporting to the head of the executive*
23 *agency on the progress made in improving ac-*
24 *quisition management capability.”.*

1 (2) *The item relating to section 16 in the table of con-*
2 *tents in section 1(b) of such Act is amended to read as fol-*
3 *lows:*

 “*Sec. 16. Chief Acquisition Officers.*”.

4 (b) *REFERENCES TO SENIOR PROCUREMENT EXECU-*
5 *TIVE.—*

6 (1) *AMENDMENT TO THE OFFICE OF FEDERAL*
7 *POLICY ACT.—*

8 (A) *Subsections (a)(2)(A) and (b) of section*
9 *20 of the Office of Federal Procurement Policy*
10 *Act (41 U.S.C. 418(a)(2)(A), (b)) are amended*
11 *by striking “senior procurement executive” each*
12 *place it appears and inserting “Chief Acquisi-*
13 *tion Officer”.*

14 (B) *Subsection (c)(2)(A)(ii) of section 29 of*
15 *the Office of Federal Procurement Policy Act (41*
16 *U.S.C. 425(c)(2)(A)(ii)) is amended by striking*
17 *“senior procurement executive” and inserting*
18 *“Chief Acquisition Officer”.*

19 (C) *Subsection (c) of section 37 of the Office*
20 *of Federal Procurement Policy Act (41 U.S.C.*
21 *433(c)) is amended—*

22 (i) *by striking “SENIOR PROCURE-*
23 *MENT EXECUTIVE” in the heading and in-*
24 *serting “CHIEF ACQUISITION OFFICER”;*
25 *and*

1 (ii) by striking “senior procurement
2 executive” each place it appears and insert-
3 ing “Chief Acquisition Officer”.

4 (2) AMENDMENT TO TITLE III OF THE FEDERAL
5 PROPERTY AND ADMINISTRATIVE SERVICES ACT OF
6 1949.—Sections 302C(b) and 303(f)(1)(B)(iii) of the
7 Federal Property and Administrative Services Act of
8 1949 (41 U.S.C. 252c, 253) are amended by striking
9 “senior procurement executive” each place it appears
10 and inserting “Chief Acquisition Officer”.

11 (3) AMENDMENT TO TITLE 10, UNITED STATES
12 CODE.—The following sections of title 10, United
13 States Code are amended by striking “senior procure-
14 ment executive” each place it appears and inserting
15 “Chief Acquisition Officer”:

16 (A) Section 133(c)(1).

17 (B) Subsections (d)(2)(B) and (f)(1) of sec-
18 tion 2225.

19 (C) Section 2302c(b).

20 (D) Section 2304(f)(1)(B)(iii).

21 (E) Section 2359a(i).

22 (4) REFERENCES.—Any reference to a senior
23 procurement executive of a department or agency of
24 the United States in any other provision of law or
25 regulation, document, or record of the United States

1 *shall be deemed to be a reference to the Chief Acquisi-*
2 *tion Officer of the department or agency.*

3 (c) *TECHNICAL CORRECTION.*—Section 1115(a) of title
4 31, United States Code, is amended by striking “section
5 1105(a)(29)” and inserting “section 1105(a)(28)”.

6 **SEC. 1422. CHIEF ACQUISITION OFFICERS COUNCIL.**

7 (a) *ESTABLISHMENT OF COUNCIL.*—The Office of Fed-
8 eral Procurement Policy Act (41 U.S.C. 403 et seq.) is
9 amended by inserting after section 16 the following new sec-
10 tion:

11 **“SEC. 16A. CHIEF ACQUISITION OFFICERS COUNCIL.**

12 “(a) *ESTABLISHMENT.*—There is established in the ex-
13 ecutive branch a Chief Acquisition Officers Council.

14 “(b) *MEMBERSHIP.*—The members of the Council shall
15 be as follows:

16 “(1) *The Deputy Director for Management of the*
17 *Office of Management and Budget, who shall act as*
18 *Chairman of the Council.*

19 “(2) *The Administrator for Federal Procurement*
20 *Policy.*

21 “(3) *The chief acquisition officer of each execu-*
22 *tive agency.*

23 “(4) *The Under Secretary of Defense for Acquisi-*
24 *tion, Technology, and Logistics.*

1 “(5) *Any other officer or employee of the United*
2 *States designated by the Chairman.*

3 “(c) *LEADERSHIP; SUPPORT.—(1) The Administrator*
4 *for Federal Procurement Policy shall lead the activities of*
5 *the Council on behalf of the Deputy Director for Manage-*
6 *ment.*

7 “(2)(A) *The Vice Chairman of the Council shall be se-*
8 *lected by the Council from among its members.*

9 “(B) *The Vice Chairman shall serve a 1-year term, and*
10 *may serve multiple terms.*

11 “(3) *The Administrator of General Services shall pro-*
12 *vide administrative and other support for the Council.*

13 “(d) *PRINCIPAL FORUM.—The Council is designated*
14 *the principal interagency forum for monitoring and im-*
15 *proving the Federal acquisition system.*

16 “(e) *FUNCTIONS.—The Council shall perform functions*
17 *that include the following:*

18 “(1) *Develop recommendations for the Director of*
19 *the Office of Management and Budget on Federal ac-*
20 *quisition policies and requirements.*

21 “(2) *Share experiences, ideas, best practices, and*
22 *innovative approaches related to Federal acquisition.*

23 “(3) *Assist the Administrator in the identifica-*
24 *tion, development, and coordination of multiagency*

1 *projects and other innovative initiatives to improve*
2 *Federal acquisition.*

3 “(4) *Promote effective business practices that en-*
4 *sure the timely delivery of best value products to the*
5 *Federal Government and achieve appropriate public*
6 *policy objectives.*

7 “(5) *Further integrity, fairness, competition,*
8 *openness, and efficiency in the Federal acquisition*
9 *system.*

10 “(6) *Work with the Office of Personnel Manage-*
11 *ment to assess and address the hiring, training, and*
12 *professional development needs of the Federal Govern-*
13 *ment related to acquisition.*

14 “(7) *Work with the Administrator and the Fed-*
15 *eral Acquisition Regulatory Council to promote the*
16 *business practices referred to in paragraph (4) and*
17 *other results of the functions carried out under this*
18 *subsection.”.*

19 (b) *CLERICAL AMENDMENT.—The table of contents in*
20 *section 1(b) of such Act is amended by inserting after the*
21 *item relating to section 16 the following new item:*

“Sec. 16A. Chief Acquisition Officers Council.”.

22 **SEC. 1423. STATUTORY AND REGULATORY REVIEW.**

23 (a) *ESTABLISHMENT.—Not later than 90 days after*
24 *the date of the enactment of this Act, the Administrator for*
25 *Federal Procurement Policy shall establish an advisory*

1 *panel to review laws and regulations regarding the use of*
2 *commercial practices, performance-based contracting, the*
3 *performance of acquisition functions across agency lines of*
4 *responsibility, and the use of Governmentwide contracts.*

5 *(b) MEMBERSHIP.—The panel shall be composed of at*
6 *least nine individuals who are recognized experts in acqui-*
7 *sition law and Government acquisition policy. In making*
8 *appointments to the panel, the Administrator shall—*

9 *(1) consult with the Secretary of Defense, the Ad-*
10 *ministrator of General Services, the Committees on*
11 *Armed Services and Government Reform of the House*
12 *of Representatives, and the Committees on Armed*
13 *Services and Governmental Affairs of the Senate, and*

14 *(2) ensure that the members of the panel reflect*
15 *the diverse experiences in the public and private sec-*
16 *tors.*

17 *(c) DUTIES.—The panel shall—*

18 *(1) review all Federal acquisition laws and regu-*
19 *lations with a view toward ensuring effective and ap-*
20 *propriate use of commercial practices and perform-*
21 *ance-based contracting; and*

22 *(2) make any recommendations for the repeal or*
23 *amendment of such laws or regulations that are con-*
24 *sidered necessary as a result of such review—*

1 (A) to eliminate any provisions in such
2 laws or regulations that are unnecessary for the
3 effective, efficient, and fair award and adminis-
4 tration of contracts for the acquisition by the
5 Federal Government of goods and services;

6 (B) to ensure the continuing financial and
7 ethical integrity of acquisitions by the Federal
8 Government; and

9 (C) to protect the best interests of the Fed-
10 eral Government.

11 (d) *REPORT*.—Not later than one year after the estab-
12 lishment of the panel, the panel shall submit to the Admin-
13 istrator and to the Committees on Armed Services and Gov-
14 ernment Reform of the House of Representatives and the
15 Committees on Armed Services and Governmental Affairs
16 of the Senate a report containing a detailed statement of
17 the findings, conclusions, and recommendations of the
18 panel.

19 **PART II—OTHER ACQUISITION IMPROVEMENTS**

20 **SEC. 1426. EXTENSION OF AUTHORITY TO CARRY OUT**
21 **FRANCHISE FUND PROGRAMS.**

22 Section 403(f) of the Federal Financial Management
23 Act of 1994 (Public Law 103–356; 31 U.S.C. 501 note) is
24 amended by striking “October 1, 2003” and inserting “Oc-
25 tober 1, 2006”.

1 **SEC. 1427. AGENCY ACQUISITION PROTESTS.**

2 (a) *DEFENSE CONTRACTS.*—(1) *Chapter 137 of title*
3 *10, United States Code, is amended by inserting after sec-*
4 *tion 2305a the following new section:*

5 **“§ 2305b. Protests**

6 “(a) *IN GENERAL.*—*An interested party may protest*
7 *an acquisition of supplies or services by an agency based*
8 *on an alleged violation of an acquisition law or regulation,*
9 *and a decision regarding such alleged violation shall be*
10 *made by the agency in accordance with this section.*

11 “(b) *RESTRICTION ON CONTRACT AWARD PENDING*
12 *DECISION.*—(1) *Except as provided in paragraph (2), a*
13 *contract may not be awarded by an agency after a protest*
14 *concerning the acquisition has been submitted under this*
15 *section and while the protest is pending.*

16 “(2) *The head of the acquisition activity responsible*
17 *for the award of the contract may authorize the award of*
18 *a contract, notwithstanding pending protest under this sec-*
19 *tion, upon making a written finding that urgent and com-*
20 *PELLING circumstances do not allow for waiting for a deci-*
21 *sion on the protest.*

22 “(c) *RESTRICTION ON CONTRACT PERFORMANCE*
23 *PENDING DECISION.*—(1) *Except as provided in paragraph*
24 *(2), performance of a contract may not be authorized (and*
25 *performance of the contract shall cease if performance has*
26 *already begun) in any case in which a protest of the con-*

1 *tract award is submitted under this section before the later*
2 *of—*

3 “(A) *the date that is 10 days after the date of*
4 *contract award; or*

5 “(B) *the date that is five days after an agency*
6 *debriefing date offered to an unsuccessful offeror for*
7 *any debriefing that is requested and, when requested,*
8 *is required, under section 2305(b)(5) of this title.*

9 “(2) *The head of the acquisition activity responsible*
10 *for the award of a contract may authorize performance of*
11 *the contract notwithstanding a pending protest under this*
12 *section upon making a written finding that urgent and*
13 *compelling circumstances do not allow for waiting for a de-*
14 *cision on the protest.*

15 “(d) *DEADLINE FOR DECISION.—The head of an agen-*
16 *cy shall issue a decision on a protest under this section not*
17 *later than the date that is 20 working days after the date*
18 *on which the protest is submitted to such head of an agency.*

19 “(e) *CONSTRUCTION.—Nothing in this section shall af-*
20 *fect the right of an interested party to file a protest with*
21 *the Comptroller General under subchapter V of chapter 35*
22 *of title 31 or in the United States Court of Federal Claims.*

23 “(f) *DEFINITIONS.—In this section, the terms ‘protest’*
24 *and ‘interested party’ have the meanings given such terms*
25 *in section 3551 of title 31.’.*

1 (2) *The table of sections at the beginning of such chap-*
2 *ter is amended by inserting after the item relating to section*
3 *2305a the following new item:*

“2305b. Protests.”.

4 (b) *OTHER AGENCIES.—Title III of the Federal Prop-*
5 *erty and Administrative Services Act of 1949 is amended*
6 *by inserting after section 303M (41 U.S.C. 253m) the fol-*
7 *lowing new section:*

8 ***“SEC. 303N. PROTESTS.***

9 ***“(a) IN GENERAL.—An interested party may protest***
10 *an acquisition of supplies or services by an executive agency*
11 *based on an alleged violation of an acquisition law or regu-*
12 *lation, and a decision regarding such alleged violation shall*
13 *be made by the agency in accordance with this section.*

14 ***“(b) RESTRICTION ON CONTRACT AWARD PENDING***
15 *DECISION.—(1) Except as provided in paragraph (2), a*
16 *contract may not be awarded by an agency after a protest*
17 *concerning the acquisition has been submitted under this*
18 *section and while the protest is pending.*

19 ***“(2) The head of the acquisition activity responsible***
20 *for the award of a contract may authorize the award of*
21 *the contract, notwithstanding a pending protest under this*
22 *section, upon making a written finding that urgent and*
23 *compelling circumstances do not allow for waiting for a de-*
24 *cision on the protest.*

1 “(c) *RESTRICTION ON CONTRACT PERFORMANCE*
2 *PENDING DECISION.—(1) Except as provided in paragraph*
3 *(2), performance of a contract may not be authorized (and*
4 *performance of the contract shall cease if performance has*
5 *already begun) in any case in which a protest of the con-*
6 *tract award is submitted under this section before the later*
7 *of—*

8 “(A) *the date that is 10 days after the date of*
9 *contract award; or*

10 “(B) *the date that is five days after an agency*
11 *debriefing date offered to an unsuccessful offeror for*
12 *any debriefing that is requested and, when requested,*
13 *is required, under section 303B(e) of this title.*

14 “(2) *The head of the acquisition activity responsible*
15 *for the award of a contract may authorize performance of*
16 *the contract notwithstanding a pending protest under this*
17 *section upon making a written finding that urgent and*
18 *compelling circumstances do not allow for waiting for a de-*
19 *cision on the protest.*

20 “(d) *DEADLINE FOR DECISION.—The head of an execu-*
21 *tive agency shall issue a decision on a protest under this*
22 *section not later than the date that is 20 working days after*
23 *the date on which the protest is submitted to the executive*
24 *agency.*

1 “(e) *CONSTRUCTION.*—*Nothing in this section shall af-*
2 *fect the right of an interested party to file a protest with*
3 *the Comptroller General under subchapter V of chapter 35*
4 *of title 31, United States Code, or in the United States*
5 *Court of Federal Claims.*”

6 “(f) *DEFINITIONS.*—*In this section, the terms ‘protest’*
7 *and ‘interested party’ have the meanings given such terms*
8 *in section 3551 of title 31, United States Code.”.*”

9 “(c) *CONFORMING AMENDMENT.*—*Section 3553(d)(4) of*
10 *title 31, United States Code, is amended—*

11 (1) *in subparagraph (A), by striking “or” at the*
12 *end;*

13 (2) *by striking the period at the end of subpara-*
14 *graph (B) and inserting “; or”; and*

15 (3) *by adding at the end the following new sub-*
16 *paragraph:*

17 “(C) *in the case of a protest of the same matter*
18 *regarding such contract that is submitted under sec-*
19 *tion 2305b of title 10 or section 303N of the Federal*
20 *Property and Administrative Services Act of 1949,*
21 *the date that is 5 days after the date on which a deci-*
22 *sion on that protest is issued.”.*”

1 **SEC. 1428. IMPROVEMENTS IN CONTRACTING FOR ARCHI-**
2 **TECTURAL AND ENGINEERING SERVICES.**

3 (a) *TITLE 10.—Section 2855(b) of title 10, United*
4 *States Code, is amended—*

5 (1) *in paragraph (2), by striking “\$85,000” and*
6 *inserting “\$300,000”; and*

7 (2) *by adding at the end the following new para-*
8 *graph:*

9 “(4) *The selection and competition requirements de-*
10 *scribed in subsection (a) shall apply to any contract for*
11 *architectural and engineering services (including surveying*
12 *and mapping services) that is entered into by the head of*
13 *an agency (as such term is defined in section 2302 of this*
14 *title).”.*

15 (b) *ARCHITECTURAL AND ENGINEERING SERVICES.—*
16 *Architectural and engineering services (as defined in section*
17 *1102 of title 40, United States Code) shall not be offered*
18 *under multiple-award schedule contracts entered into by the*
19 *Administrator of General Services or under Government-*
20 *wide task and delivery-order contracts entered into under*
21 *sections 2304a and 2304b of title 10, United States Code,*
22 *or sections 303H and 303I of the Federal Property and Ad-*
23 *ministrative Services Act of 1949 (41 U.S.C. 253h and*
24 *253i) unless such services—*

25 (1) *are performed under the direct supervision of*
26 *a professional engineer licensed in a State; and*

1 (2) are awarded in accordance with the selection
2 procedures set forth in chapter 11 of title 40, United
3 States Code.

4 **SEC. 1429. AUTHORIZATION OF TELECOMMUTING FOR FED-**
5 **ERAL CONTRACTORS.**

6 (a) *AMENDMENT TO THE FEDERAL ACQUISITION REG-*
7 *ULATION.*—Not later than 180 days after the date of the
8 enactment of this Act, the Federal Acquisition Regulatory
9 Council shall amend the Federal Acquisition Regulation
10 issued in accordance with sections 6 and 25 of the Office
11 of Federal Procurement Policy Act (41 U.S.C. 405 and 421)
12 to permit telecommuting by employees of Federal Govern-
13 ment contractors in the performance of contracts entered
14 into with executive agencies.

15 (b) *CONTENT OF AMENDMENT.*—The regulation issued
16 pursuant to subsection (a) shall, at a minimum, provide
17 that solicitations for the acquisition of property or services
18 may not set forth any requirement or evaluation criteria
19 that would—

20 (1) render an offeror ineligible to enter into a
21 contract on the basis of the inclusion of a plan of the
22 offeror to permit the offeror's employees to telecom-
23 mute; or

24 (2) reduce the scoring of an offer on the basis of
25 the inclusion in the offer of a plan of the offeror to

1 *permit the offeror’s employees to telecommute, unless*
2 *the contracting officer concerned first—*

3 *(A) determines that the requirements of the*
4 *agency, including the security requirements of*
5 *the agency, cannot be met if the telecommuting*
6 *is permitted; and*

7 *(B) documents in writing the basis for that*
8 *determination.*

9 *(c) GAO REPORT.—Not later than one year after the*
10 *date on which the regulation required by subsection (a) is*
11 *published in the Federal Register, the Comptroller General*
12 *shall submit to Congress—*

13 *(1) an evaluation of—*

14 *(A) the conformance of the regulations with*
15 *law; and*

16 *(B) the compliance by executive agencies*
17 *with the regulations; and*

18 *(2) any recommendations that the Comptroller*
19 *General considers appropriate.*

20 *(d) DEFINITION.—In this section, the term “executive*
21 *agency” has the meaning given that term in section 4 of*
22 *the Office of Federal Procurement Policy Act (41 U.S.C.*
23 *403).*

1 *ments in clear, specific, and objective terms with measur-*
 2 *able outcomes.”.*

3 (b) *CLERICAL AND TECHNICAL AMENDMENTS.—(1)*

4 *The table of contents in section 1(b) of such Act is amended*
 5 *by striking the last item and inserting the following:*

“Sec. 40. Protection of constitutional rights of contractors.

“Sec. 41. Incentives for efficient performance of services contracts.”.

6 (2) *The section before section 41 of such Act (as added*
 7 *by subsection (a)) is redesignated as section 40.*

8 ***Subtitle D—Acquisitions of***
 9 ***Commercial Items***

10 ***SEC. 1441. ADDITIONAL INCENTIVE FOR USE OF PERFORM-***
 11 ***ANCE-BASED CONTRACTING FOR SERVICES.***

12 (a) *OTHER CONTRACTS.—Section 41 of the Office of*
 13 *Federal Procurement Policy Act, as added by section 1431,*
 14 *is amended—*

15 (1) *by redesignating subsection (b) as subsection*
 16 *(c); and*

17 (2) *by inserting after subsection (a) the following*
 18 *new subsection:*

19 *“(b) INCENTIVE FOR USE OF PERFORMANCE-BASED*
 20 *SERVICES CONTRACTS.—(1) A performance-based contract*
 21 *for the procurement of services entered into by an executive*
 22 *agency or a performance-based task order for services issued*
 23 *by an executive agency may be treated as a contract for*
 24 *the procurement of commercial items if—*

1 “(A) the contract or task order sets forth specifi-
2 cally each task to be performed and, for each task—

3 “(i) defines the task in measurable, mission-
4 related terms; and

5 “(ii) identifies the specific end products or
6 output to be achieved; and

7 “(B) the source of the services provides similar
8 services to the general public under terms and condi-
9 tions similar to those offered to the Federal Govern-
10 ment.

11 “(2) The regulations implementing this subsection
12 shall require agencies to collect and maintain reliable data
13 sufficient to identify the contracts or task orders treated as
14 contracts for commercial items using the authority of this
15 subsection. The data may be collected using the Federal Pro-
16 curement Data System or other reporting mechanism.

17 “(3) Not later than two years after the date of the en-
18 actment of this subsection, the Director of the Office of Man-
19 agement and Budget shall prepare and submit to the Com-
20 mittees on Governmental Affairs and on Armed Services of
21 the Senate and the Committees on Government Reform and
22 on Armed Services of the House of Representatives a report
23 on the contracts or task orders treated as contracts for com-
24 mercial items using the authority of this subsection. The

1 *report shall include data on the use of such authority both*
2 *government-wide and for each department and agency.*

3 “(4) *The authority under this subsection shall expire*
4 *10 years after the date of the enactment of this subsection.*”.

5 (b) *CENTER OF EXCELLENCE IN SERVICE CON-*
6 *TRACTING.*—*Not later than 180 days after the date of the*
7 *enactment of this Act, the Administrator for Federal Pro-*
8 *curement Policy shall establish a center of excellence in con-*
9 *tracting for services. The center of excellence shall assist the*
10 *acquisition community by identifying, and serving as a*
11 *clearinghouse for, best practices in contracting for services*
12 *in the public and private sectors.*

13 (c) *REPEAL OF SUPERSEDED PROVISION.*—*Subsection*
14 *(b) of section 821 of the Floyd D. Spence National Defense*
15 *Authorization Act for Fiscal Year 2001 (as enacted into law*
16 *by Public Law 106–398; 114 Stat. 1654A–218) is repealed.*

17 **SEC. 1442. AUTHORIZATION OF ADDITIONAL COMMERCIAL**
18 **CONTRACT TYPES.**

19 *Section 8002(d) of the Federal Acquisition Stream-*
20 *lining Act of 1994 (Public Law 103–355; 108 Stat. 3387;*
21 *41 U.S.C. 264 note) is amended—*

22 (1) *in paragraph (1), by striking “and”;*

23 (2) *by striking the period at the end of para-*
24 *graph (2) and inserting “; and”; and*

1 (3) by adding at the end the following new para-
2 graph:

3 “(3) authority for use of a time and materials
4 contract or a labor-hour contract for the procurement
5 of commercial services that are commonly sold to the
6 general public through such contracts.”

7 **SEC. 1443. CLARIFICATION OF COMMERCIAL SERVICES DEF-**
8 **INITION.**

9 Subparagraph (F) of section 4(12) of the Office of Fed-
10 eral Procurement Policy Act (41 U.S.C. 403(12)(F)) is
11 amended—

12 (1) by striking “catalog or”; and

13 (2) by inserting “or specific outcomes to be
14 achieved” after “performed”.

15 **SEC. 1444. DESIGNATION OF COMMERCIAL BUSINESS ENTI-**
16 **TIES.**

17 (a) *IN GENERAL.*—Section 4 of the Office of Federal
18 Procurement Policy Act (41 U.S.C. 403), as amended by
19 section 1411, is further amended—

20 (1) by adding at the end of paragraph (12) the
21 following new subparagraph:

22 “(I) Items or services produced or provided
23 by a commercial entity.”; and

24 (2) by adding at the end the following new para-
25 graph:

1 “(17) The term ‘commercial entity’ means any
2 enterprise whose primary customers are other than
3 the Federal Government. In order to qualify as a
4 commercial entity, at least 90 percent (in dollars) of
5 the sales of the enterprise over the past three business
6 years must have been made to private sector enti-
7 ties.”.

8 (b) *COLLECTION OF DATA.*—Regulations imple-
9 menting the amendments made by subsection (a) shall re-
10 quire agencies to collect and maintain reliable data suffi-
11 cient to identify the contracts entered into or task orders
12 awarded for items or services produced or provided by a
13 commercial entity. The data may be collected using the Fed-
14 eral Procurement Data System or other reporting mecha-
15 nism.

16 (c) *OMB REPORT.*—Not later than two years after the
17 date of the enactment of this subsection, the Director of the
18 Office of Management and Budget shall prepare and submit
19 to the Committees on Governmental Affairs and on Armed
20 Services of the Senate and the Committees on Government
21 Reform and on Armed Services of the House of Representa-
22 tives a report on the contracts entered into or task orders
23 awarded for items or services produced or provided by a
24 commercial entity. The report shall include data on the use

1 of such authority both government-wide and for each de-
2 partment and agency.

3 (d) *COMPTROLLER GENERAL REVIEW.*—The Comp-
4 troller General shall review the implementation of the
5 amendments made by subsection (a) to evaluate the effec-
6 tiveness of such implementation in increasing the avail-
7 ability of items and services to the Federal Government at
8 fair and reasonable prices.

9 **Subtitle E—Other Matters**

10 **SEC. 1451. AUTHORITY TO ENTER INTO CERTAIN PROCURE-**
11 **MENT-RELATED TRANSACTIONS AND TO**
12 **CARRY OUT CERTAIN PROTOTYPE PROJECTS.**

13 *Title III of the Federal Property and Administrative*
14 *Services Act of 1949 (41 U.S.C. 251 et seq.) is amended*
15 *by adding at the end the following new section:*

16 **“SEC. 318. AUTHORITY TO ENTER INTO CERTAIN TRANS-**
17 **ACTIONS FOR DEFENSE AGAINST OR RECOV-**
18 **ERY FROM TERRORISM OR NUCLEAR, BIO-**
19 **LOGICAL, CHEMICAL, OR RADIOLOGICAL AT-**
20 **TACK.**

21 **“(a) AUTHORITY.**—

22 **“(1) IN GENERAL.**—*The head of an executive*
23 *agency who engages in basic research, applied re-*
24 *search, advanced research, and development projects*
25 *that—*

1 “(A) are necessary to the responsibilities of
2 such official’s executive agency in the field of re-
3 search and development, and

4 “(B) have the potential to facilitate defense
5 against or recovery from terrorism or nuclear,
6 biological, chemical, or radiological attack,
7 may exercise the same authority (subject to the same
8 restrictions and conditions) with respect to such re-
9 search and projects as the Secretary of Defense may
10 exercise under section 2371 of title 10, United States
11 Code, except for subsections (b) and (f) of such section
12 2371.

13 “(2) *PROTOTYPE PROJECTS.*—The head of an ex-
14 ecutive agency may, under the authority of paragraph
15 (1), carry out prototype projects that meet the re-
16 quirements of subparagraphs (A) and (B) of para-
17 graph (1) in accordance with the requirements and
18 conditions provided for carrying out prototype
19 projects under section 845 of the National Defense Au-
20 thorization Act for Fiscal Year 1994 (Public Law
21 103–160; 10 U.S.C. 2371 note). In applying the re-
22 quirements and conditions of that section 845—

23 “(A) subsection (c) of that section shall
24 apply with respect to prototype projects carried
25 out under this paragraph; and

1 “(B) *the Director of the Office of Manage-*
2 *ment and Budget shall perform the functions of*
3 *the Secretary of Defense under subsection (d) of*
4 *that section.*

5 “(3) *APPLICABILITY TO SELECTED EXECUTIVE*
6 *AGENCIES.—*

7 “(A) *OMB AUTHORIZATION REQUIRED.—*
8 *The head of an executive agency may exercise*
9 *authority under this subsection only if author-*
10 *ized by the Director of the Office of Management*
11 *and Budget to do so.*

12 “(B) *RELATIONSHIP TO AUTHORITY OF DE-*
13 *PARTMENT OF HOMELAND SECURITY.—The au-*
14 *thority under this subsection shall not apply to*
15 *the Secretary of Homeland Security while sec-*
16 *tion 831 of the Homeland Security Act of 2002*
17 *(Public Law 107-296; 116 Stat. 2224) is in ef-*
18 *fect.*

19 “(b) *ANNUAL REPORT.—The annual report of the head*
20 *of an executive agency that is required under subsection (h)*
21 *of section 2371 of title 10, United States Code, as applied*
22 *to the head of the executive agency by subsection (a), shall*
23 *be submitted to the Committee on Governmental Affairs of*
24 *the Senate and the Committee on Government Reform of*
25 *the House of Representatives.*

1 “(c) *REGULATIONS.*—*The Director of the Office of*
 2 *Management and Budget shall prescribe regulations to*
 3 *carry out this section.*”.

4 ***SEC. 1452. AUTHORITY TO MAKE INFLATION ADJUSTMENTS***
 5 ***TO SIMPLIFIED ACQUISITION THRESHOLD.***

6 *Section 4(11) of the Office of Federal Procurement Pol-*
 7 *icy Act (41 U.S.C. 403(11)) is amended by inserting before*
 8 *the period at the end the following: “, except that such*
 9 *amount may be adjusted by the Administrator every five*
 10 *years to the amount equal to \$100,000 in constant fiscal*
 11 *year 2003 dollars (rounded to the nearest \$10,000)”.*

12 ***SEC. 1453. TECHNICAL CORRECTIONS RELATED TO DUPLI-***
 13 ***CATIVE AMENDMENTS.***

14 (a) *REPEAL OF SUPERSEDED SUBCHAPTER AND RE-*
 15 *LATED CONFORMING AMENDMENTS.*—(1) *Subchapter II of*
 16 *chapter 35 of title 44, United States Code, is repealed.*

17 (2) *Subchapter III of such chapter is redesignated as*
 18 *subchapter II.*

19 (3) *Section 3549 of title 44, United States Code, is*
 20 *amended by striking the sentence beginning with “While*
 21 *this subchapter”.*

22 (4) *The table of sections at the beginning of chapter*
 23 *35 of title 44, United States Code, is amended—*

24 (A) *by striking the items relating to sections*
 25 *3531 through 3538; and*

1 (B) by striking the heading “SUBCHAPTER
2 III—INFORMATION SECURITY”.

3 (5) Section 2224a of title 10, United States Code, is
4 repealed, and the table of sections at the beginning of chap-
5 ter 131 of such title is amended by striking the item relating
6 to such section.

7 (b) CONFORMING AMENDMENTS RELATED TO REPEALS
8 OF SHARE-IN-SAVINGS AND SOLUTIONS-BASED CON-
9 TRACTING PILOT PROGRAMS.—(1) Chapter 115 of title 40,
10 United States Code, is repealed.

11 (2) The table of chapters at the beginning of subtitle
12 III of such title is amended by striking the item relating
13 to chapter 115.

14 (c) AMENDMENTS MADE BY E-GOVERNMENT ACT
15 MADE APPLICABLE.—The following provisions of law shall
16 read as if the amendments made by title X of the Homeland
17 Security Act of 2002 (Public Law 107–296) to such provi-
18 sions did not take effect:

19 (1) Section 2224 of title 10, United States Code.

20 (2) Sections 20 and 21 of the National Institute
21 of Standards and Technology Act (15 U.S.C. 278g-3
22 and 278g-4).

23 (3) Sections 11331 and 11332 of title 40, United
24 States Code.

1 (4) *Subtitle G of title X of the Floyd D. Spence*
2 *National Defense Authorization Act for Fiscal Year*
3 *2001 (Public Law 106–398; 44 U.S.C. 3531 note).*

4 (5) *Sections 3504(g), 3505, and 3506(g) of title*
5 *44, United States Code.*

6 (d) *CORRECTION OF CROSS REFERENCE.*—*Section*
7 *2224(c) of title 10, United States Code, as amended by sec-*
8 *tion 301(c)(1)(B)(iii) of the E-Government Act of 2002*
9 *(Public Law 107–347; 116 Stat. 2955), is amended by strik-*
10 *ing “subchapter III” and inserting “subchapter II”.*

11 ***SEC. 1454. PROHIBITION ON USE OF QUOTAS.***

12 (a) *IN GENERAL.*—*After the date of enactment of this*
13 *Act, the Office of Management and Budget may not estab-*
14 *lish, apply, or enforce any numerical goal, target, or quota*
15 *for subjecting the employees of a department or agency of*
16 *the Government to public-private competitions or con-*
17 *verting such employees or the work performed by such em-*
18 *ployees to contractor performance under Office of Manage-*
19 *ment and Budget Circular A-76 or any other administra-*
20 *tive regulation, directive, or policy unless the goal, target,*
21 *or quota is based on considered research and sound analysis*
22 *of past activities and is consistent with the stated mission*
23 *of the department or agency.*

24 (b) *LIMITATIONS.*—*Subsection (a) shall not—*

1 (1) *otherwise affect the implementation or en-*
2 *forcement of the Government Performance and Results*
3 *Act of 1993 (107 Stat. 285); or*

4 (2) *prevent any agency of the Executive branch*
5 *from subjecting work performed by Federal employees*
6 *or private contractors to public-private competition*
7 *or conversions.*

8 **SEC. 1455. APPLICABILITY OF CERTAIN PROVISIONS TO**
9 **SOLE SOURCE CONTRACTS FOR GOODS AND**
10 **SERVICES TREATED AS COMMERCIAL ITEMS.**

11 (a) *IN GENERAL.*—*Notwithstanding the amendments*
12 *made by subtitle D of this Act, no contract for the procure-*
13 *ment of services or goods awarded on a sole source basis*
14 *shall be exempt from—*

15 (1) *cost accounting standards promulgated pur-*
16 *suant to section 26 of the Office of Federal Procure-*
17 *ment Policy Act (41 U.S.C. 422); and*

18 (2) *cost or pricing data requirements (commonly*
19 *referred to as truth in negotiating) under section*
20 *2306a of title 10, United States Code, and section*
21 *304A of title III of the Federal Property and Admin-*
22 *istrative Services Act of 1949 (41 U.S.C. 254b).*

23 (b) *LIMITATION.*—*This section shall not apply to any*
24 *contract in an amount not greater than \$15,000,000.*

1 **SEC. 1456. PUBLIC DISCLOSURE OF NONCOMPETITIVE CON-**
2 **TRACTING FOR THE RECONSTRUCTION OF IN-**
3 **FRASTRUCTURE IN IRAQ.**

4 (a) *DISCLOSURE REQUIRED.*—

5 (1) *PUBLICATION AND PUBLIC AVAILABILITY.*—

6 *The head of an executive agency of the United States*
7 *that enters into a contract for the repair, mainte-*
8 *nance, or construction of infrastructure in Iraq with-*
9 *out full and open competition shall publish in the*
10 *Federal Register or Commerce Business Daily and*
11 *otherwise make available to the public, not later than*
12 *30 days after the date on which the contract is en-*
13 *tered into, the following information:*

14 (A) *The amount of the contract.*

15 (B) *A brief description of the scope of the*
16 *contract.*

17 (C) *A discussion of how the executive agen-*
18 *cy identified, and solicited offers from, potential*
19 *contractors to perform the contract, together with*
20 *a list of the potential contractors that were*
21 *issued solicitations for the offers.*

22 (D) *The justification and approval docu-*
23 *ments on which was based the determination to*
24 *use procedures other than procedures that pro-*
25 *vide for full and open competition.*

1 (2) *INAPPLICABILITY TO CONTRACTS AFTER FIS-*
2 *CAL YEAR 2013.—Paragraph (1) does not apply to a*
3 *contract entered into after September 30, 2013.*

4 **(b) CLASSIFIED INFORMATION.—**

5 (1) *AUTHORITY TO WITHHOLD.—The head of an*
6 *executive agency may—*

7 (A) *withhold from publication and disclo-*
8 *sure under subsection (a) any document that is*
9 *classified for restricted access in accordance with*
10 *an Executive order in the interest of national de-*
11 *fense or foreign policy; and*

12 (B) *redact any part so classified that is in*
13 *a document not so classified before publication*
14 *and disclosure of the document under subsection*
15 *(a).*

16 (2) *AVAILABILITY TO CONGRESS.—In any case*
17 *in which the head of an executive agency withholds*
18 *information under paragraph (1), the head of such*
19 *executive agency shall make available an unredacted*
20 *version of the document containing that information*
21 *to the chairman and ranking member of each of the*
22 *following committees of Congress:*

23 (A) *The Committee on Governmental Af-*
24 *airs of the Senate and the Committee on Gov-*
25 *ernment Reform of the House of Representatives.*

1 (B) *The Committees on Appropriations of*
2 *the Senate and House of Representatives.*

3 (C) *Each committee that the head of the ex-*
4 *ecutive agency determines has legislative juris-*
5 *isdiction for the operations of such department or*
6 *agency to which the information relates.*

7 (c) *FISCAL YEAR 2003 CONTRACTS.—This section shall*
8 *apply to contracts entered into on or after October 1, 2002,*
9 *except that, in the case of a contract entered into before*
10 *the date of the enactment of this Act, subsection (a) shall*
11 *be applied as if the contract had been entered into on the*
12 *date of the enactment of this Act.*

13 (d) *RELATIONSHIP TO OTHER DISCLOSURE LAWS.—*
14 *Nothing in this section shall be construed as affecting obli-*
15 *gations to disclose United States Government information*
16 *under any other provision of law.*

17 (e) *DEFINITIONS.—In this section, the terms “executive*
18 *agency” and “full and open competition” have the mean-*
19 *ings given such terms in section 4 of the Office of Federal*
20 *Procurement Policy Act (41 U.S.C. 403).*

1 ***DIVISION B—MILITARY CON-***
 2 ***STRUCTION AUTHORIZA-***
 3 ***TIONS***

4 ***SEC. 2001. SHORT TITLE.***

5 *This division may be cited as the “Military Construc-*
 6 *tion Authorization Act for Fiscal Year 2004”.*

7 ***TITLE XXI—ARMY***

8 ***SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND***
 9 ***ACQUISITION PROJECTS.***

10 *(a) INSIDE THE UNITED STATES.—Using amounts ap-*
 11 *propriated pursuant to the authorization of appropriations*
 12 *in section 2104(a)(1), the Secretary of the Army may ac-*
 13 *quire real property and carry out military construction*
 14 *projects for the installations and locations inside the United*
 15 *States, and in the amounts, set forth in the following table:*

Army: Inside the United States

<i>State</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Alabama</i>	<i>Redstone Arsenal</i>	<i>\$5,500,000</i>
<i>Alaska</i>	<i>Fort Wainwright</i>	<i>\$138,800,000</i>
<i>California</i>	<i>Fort Irwin</i>	<i>\$3,350,000</i>
<i>Colorado</i>	<i>Fort Carson</i>	<i>\$2,150,000</i>
<i>Georgia</i>	<i>Fort Benning</i>	<i>\$34,500,000</i>
	<i>Fort Stewart/Hunter Army Air</i> <i>Field</i>	<i>\$138,550,000</i>
<i>Hawaii</i>	<i>Helemano Military Reservation</i>	<i>\$1,400,000</i>
	<i>Schofield Barracks</i>	<i>\$128,100,000</i>
<i>Kansas</i>	<i>Fort Leavenworth</i>	<i>\$115,000,000</i>
	<i>Fort Riley</i>	<i>\$40,000,000</i>
<i>Kentucky</i>	<i>Fort Knox</i>	<i>\$5,500,000</i>
<i>Louisiana</i>	<i>Fort Polk</i>	<i>\$72,000,000</i>
<i>Maryland</i>	<i>Fort Meade</i>	<i>\$9,600,000</i>
<i>Massachusetts</i>	<i>Soldier Systems Center, Natick</i>	<i>\$5,500,000</i>
<i>Missouri</i>	<i>Fort Leonard Wood</i>	<i>\$5,900,000</i>
<i>New Jersey</i>	<i>Naval Air Engineering Center,</i> <i>Lakehurst</i>	<i>\$2,250,000</i>
	<i>Picatiny Arsenal</i>	<i>\$11,800,000</i>
<i>New York</i>	<i>Fort Drum</i>	<i>\$139,300,000</i>
<i>North Carolina</i>	<i>Fort Bragg</i>	<i>\$163,400,000</i>
<i>Oklahoma</i>	<i>Fort Sill</i>	<i>\$5,500,000</i>
<i>Texas</i>	<i>Fort Bliss</i>	<i>\$5,400,000</i>

Army: Inside the United States—Continued

State	Installation or location	Amount
Virginia	Fort Hood	\$56,700,000
	Fort Belvoir	\$7,000,000
	Fort Lee	\$3,850,000
Washington	Fort Myer	\$9,000,000
	Fort Lewis	\$3,900,000
	Total	\$1,108,500,000

1 (b) *OUTSIDE THE UNITED STATES.*—Subject to sub-
2 section (c), using amounts appropriated pursuant to the
3 authorization of appropriations in section 2104(a)(2), the
4 Secretary of the Army may acquire real property and carry
5 out military construction projects for the installations and
6 locations outside the United States, and in the amounts,
7 set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Germany	Grafenwoehr	\$76,000,000
	Heidelberg	\$17,000,000
	Hohenfels	\$13,200,000
	Vilseck	\$31,000,000
Italy	Aviano Air Base	\$28,500,000
	Livorno	\$22,000,000
Korea	Camp Humphreys	\$191,150,000
Kwajalein	Kwajalein	\$9,400,000
	Total	\$388,250,000

8 (c) *CONDITION ON PROJECTS AUTHORIZATION.*—The
9 authority of the Secretary of the Army to proceed with the
10 projects at Camp Humphreys, Korea, referred to in the
11 table in subsection (b), and to obligate amounts appro-
12 priated pursuant to the authorization of appropriations in
13 section 2104(a)(2) in connection with such project, is sub-
14 ject to the condition that the Secretary submit to the con-
15 gressional defense committees written notice in advance that

1 *the United States and the Republic of Korea have entered*
 2 *into an agreement to ensure the availability and use of land*
 3 *sufficient for such projects.*

4 **SEC. 2102. FAMILY HOUSING.**

5 (a) *CONSTRUCTION AND ACQUISITION.—Using*
 6 *amounts appropriated pursuant to the authorization of ap-*
 7 *propriations in section 2104(a)(5)(A), the Secretary of the*
 8 *Army may construct or acquire family housing units (in-*
 9 *cluding land acquisition and supporting facilities) at the*
 10 *installations, for the purposes, and in the amounts set forth*
 11 *in the following table:*

Army: Family Housing

State or Country	Installation or location	Purpose	Amount
<i>Alaska</i>	<i>Fort Wainwright</i>	<i>140 Units</i>	<i>\$64,000,000</i>
<i>Arizona</i>	<i>Fort Huachuca</i>	<i>220 Units</i>	<i>\$41,000,000</i>
<i>Kansas</i>	<i>Fort Riley</i>	<i>62 Units</i>	<i>\$16,700,000</i>
<i>Kentucky</i>	<i>Fort Knox</i>	<i>178 Units</i>	<i>\$41,000,000</i>
<i>New Mexico</i>	<i>White Sands Missile Range</i>	<i>58 Units</i>	<i>\$14,600,000</i>
<i>Oklahoma</i>	<i>Fort Sill</i>	<i>120 Units</i>	<i>\$25,373,000</i>
<i>Virginia</i>	<i>Fort Lee</i>	<i>90 Units</i>	<i>\$18,000,000</i>
		<i>Total: ...</i>	<i>\$220,673,000</i>

12 (b) *PLANNING AND DESIGN.—Using amounts appro-*
 13 *priated pursuant to the authorization of appropriations in*
 14 *section 2104(a)(5)(A), the Secretary of the Army may carry*
 15 *out architectural and engineering services and construction*
 16 *design activities with respect to the construction or im-*
 17 *provement of family housing units in an amount not to*
 18 *exceed \$34,488,000.*

1 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
2 **UNITS.**

3 *Subject to section 2825 of title 10, United States Code,*
4 *and using amounts appropriated pursuant to the author-*
5 *ization of appropriations in section 2104(a)(5)(A), the Sec-*
6 *retary of the Army may improve existing military family*
7 *housing units in an amount not to exceed \$156,030,000.*

8 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

9 *(a) IN GENERAL.—Funds are hereby authorized to be*
10 *appropriated for fiscal years beginning after September 30,*
11 *2003, for military construction, land acquisition, and mili-*
12 *tary family housing functions of the Department of the*
13 *Army in the total amount of \$3,056,697,000, as follows:*

14 *(1) For military construction projects inside the*
15 *United States authorized by section 2101(a),*
16 *\$902,000,000.*

17 *(2) For military construction projects outside the*
18 *United States authorized by section 2101(b),*
19 *\$359,350,000.*

20 *(3) For unspecified minor construction projects*
21 *authorized by section 2805 of title 10, United States*
22 *Code, \$22,550,000.*

23 *(4) For architectural and engineering services*
24 *and construction design under section 2807 of title*
25 *10, United States Code, \$128,580,000.*

26 *(5) For military family housing functions:*

1 (A) For construction and acquisition, plan-
2 ning and design, and improvement of military
3 family housing and facilities, \$409,191,000.

4 (B) For support of military family housing
5 (including the functions described in section
6 2833 of title 10, United States Code),
7 \$1,043,026,000.

8 (6) For the construction of phase 3 of a barracks
9 complex, D Street, at Fort Richardson, Alaska, au-
10 thorized by section 2101(a) of the Military Construc-
11 tion Authorization Act for Fiscal Year 2002 (division
12 B of Public Law 107-107; 115 Stat. 1280), as
13 amended by section 2105 of this Act, \$33,000,000.

14 (7) For the construction of phase 3 of a barracks
15 complex, 17th and B Streets, at Fort Lewis, Wash-
16 ington, authorized by section 2101(a) of the Military
17 Construction Authorization Act for Fiscal Year 2002
18 (division B of Public Law 107-107; 115 Stat. 1280),
19 \$48,000,000.

20 (8) For the construction of phase 2 of a barracks
21 complex, Capron Road, at Schofield Barracks, Ha-
22 wahi, authorized by section 2101(a) of the Military
23 Construction Authorization Act for Fiscal Year 2003
24 (division B of Public Law 107-314; 116 Stat. 2681),
25 \$49,000,000.

1 (9) *For the construction of phase 2 of a barracks*
2 *complex, Range Road, at Fort Campbell, Kentucky,*
3 *authorized by section 2101(a) of the Military Con-*
4 *struction Authorization Act for Fiscal Year 2003 (di-*
5 *vision B of Public Law 107–314; 116 Stat. 2681),*
6 *\$49,000,000.*

7 (10) *For the construction of phase 2 of a consoli-*
8 *dated maintenance complex at Fort Sill, Oklahoma,*
9 *authorized by section 2101(a) of the Military Con-*
10 *struction Authorization Act for Fiscal Year 2003 (di-*
11 *vision B of Public Law 107–314; 116 Stat. 2681),*
12 *\$13,000,000.*

13 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
14 *PROJECTS.—Notwithstanding the cost variations author-*
15 *ized by section 2853 of title 10, United States Code, and*
16 *any other cost variation authorized by law, the total cost*
17 *of all projects carried out under section 2101 of this Act*
18 *may not exceed the sum of the following:*

19 (1) *The total amount authorized to be appro-*
20 *priated under paragraphs (1) and (2) of subsection*
21 *(a).*

22 (2) *\$32,000,000 (the balance of the amount au-*
23 *thorized under section 2101(a) for construction of a*
24 *barracks, Fort Stewart/Hunter Army Airfield, Geor-*
25 *gia).*

1 (3) \$87,000,000 (the balance of the amount au-
2 thorized under section 2101(a) for construction of the
3 Lewis and Clark Instructional Facility, Fort Leaven-
4 worth, Kansas).

5 (4) \$43,000,000 (the balance of the amount au-
6 thorized under section 2101(a) for construction of a
7 barracks complex, Wheeler Army Airfield, Fort Drum,
8 New York).

9 (5) \$50,000,000 (the balance of the amount au-
10 thorized under section 2101(a) for construction of a
11 barracks complex, Bastogne Drive, Fort Bragg, North
12 Carolina).

13 (6) \$18,900,000 (the balance of the amount au-
14 thorized under section 2101(b) for construction of a
15 barracks complex, Vilseck, Germany).

16 **SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT**
17 **CERTAIN FISCAL YEAR 2002 PROJECTS.**

18 (a) *MODIFICATION.*—The table in section 2101(a) of
19 the Military Construction Authorization Act for Fiscal Year
20 2002 (division B of Public Law 107-107; 115 Stat. 1281),
21 as amended by section 2105 of the Military Construction
22 Authorization Act for Fiscal Year 2003 (division B of Pub-
23 lic Law 107-314; 116 Stat. 2689), is further amended—

1 (1) *in the item relating to Fort Richardson,*
 2 *Alaska, by striking “\$115,000,000” in the amount*
 3 *column and inserting “\$117,000,000”; and*

4 (2) *by striking the amount identified as the total*
 5 *in the amount column and inserting*
 6 *“\$1,364,750,000”.*

7 (b) *CONFORMING AMENDMENT.—Section 2104(b)(2) of*
 8 *that Act (115 Stat. 1284) is amended by striking*
 9 *“\$52,000,000” and inserting “\$54,000,000”.*

10 **TITLE XXII—NAVY**

11 **SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND**

12 **ACQUISITION PROJECTS.**

13 (a) *INSIDE THE UNITED STATES.—Using amounts ap-*
 14 *propriated pursuant to the authorization of appropriations*
 15 *in section 2204(a)(1), the Secretary of the Navy may ac-*
 16 *quire real property and carry out military construction*
 17 *projects for the installations and locations inside the United*
 18 *States, and in the amounts, set forth in the following table:*

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma	\$22,230,000
California	Marine Corps Air-Ground Task Force Training Center, Twentynine Palms ...	\$42,090,000
	Marine Corps Air Station, Miramar	\$7,640,000
	Marine Corps Base, Camp Pendleton	\$73,580,000
	Naval Air Facility, San Clemente Island	\$18,940,000
	Naval Air Station, Lemoore	\$34,510,000
	Naval Air Station, North Island	\$49,240,000
	Naval Air Warfare Center, China Lake ...	\$12,230,000
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	\$6,150,000
	Naval Postgraduate School, Monterey	\$42,560,000
	Naval Station, San Diego	\$49,710,000
Connecticut	Naval Submarine Base, New London	\$3,120,000
District of Columbia	Marine Corps Barracks	\$1,550,000
Florida	Blount Island (Jacksonville)	\$115,711,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
	Naval Air Station, Jacksonville	\$9,190,000
	Naval Air Station, Whiting Field, Milton	\$4,830,000
	Naval Surface Warfare Center, Coastal Systems Station, Panama City	\$9,550,000
Georgia	Strategic Weapons Facility Atlantic, Kings Bay	\$11,510,000
Hawaii	Fleet and Industrial Supply Center, Pearl Harbor	\$32,180,000
	Naval Magazine, Lualualei	\$6,320,000
	Naval Shipyard, Pearl Harbor	\$7,010,000
Illinois	Naval Training Center, Great Lakes	\$137,120,000
Indiana	Naval Surface Warfare Center, Crane	\$11,400,000
Maryland	Naval Air Warfare Center, Patuxent River	\$28,270,000
	Naval Surface Warfare Center, Indian Head	\$14,850,000
Mississippi	Naval Air Station, Meridian	\$4,570,000
	Naval Station, Pascagoula	\$6,100,000
Nevada	Naval Air Station, Fallon	\$4,700,000
New Jersey	Naval Air Warfare Center, Lakehurst	\$20,681,000
	Naval Weapons Station, Earle	\$123,720,000
North Carolina	Marine Corps Air Station, New River	\$6,240,000
	Marine Corps Base, Camp Lejeune	\$29,450,000
Rhode Island	Naval Station, Newport	\$16,140,000
	Naval Undersea Warfare Center, Newport	\$10,890,000
South Carolina	Naval Weapons Station, Charleston	\$2,350,000
Texas	Naval Air Station, Corpus Christi	\$5,400,000
Virginia	Henderson Hall, Arlington	\$1,970,000
	Marine Corps Combat Development Command, Quantico	\$3,700,000
	Naval Air Station, Oceana	\$10,000,000
	Naval Amphibious Base, Little Creek	\$3,810,000
	Naval Space Command Center, Dahlgren	\$24,020,000
	Naval Station, Norfolk	\$182,240,000
	Norfolk Naval Shipyard, Portsmouth	\$17,770,000
Washington	Naval Air Station, Whidbey Island	\$4,350,000
	Naval Magazine, Indian Island	\$2,240,000
	Naval Shipyard, Puget Sound	\$12,120,000
	Naval Submarine Base, Bangor	\$33,820,000
	Strategic Weapons Facility Pacific, Bangor	\$6,530,000
Various Locations	Various Locations, CONUS	\$56,360,000
	Total	\$1,340,662,000

1 (b) *OUTSIDE THE UNITED STATES.*—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2204(a)(2), the Secretary of the Navy may
4 acquire real property and carry out military construction
5 projects for the locations outside the United States, and in
6 the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
<i>Bahrain</i>	<i>Naval Support Activity, Bahrain</i>	\$18,030,000
<i>Guam</i>	<i>Commander, United States Naval Forces, Marianas</i>	\$1,700,000
<i>Italy</i>	<i>Naval Air Station, Sigonella</i>	\$48,749,000
	<i>Naval Support Activity, La Maddalena</i>	\$39,020,000
<i>United Kingdom</i>	<i>Joint Maritime Facility, St. Maugan</i>	\$7,070,000
	<i>Total</i>	\$114,569,000

1 SEC. 2202. FAMILY HOUSING.

2 (a) CONSTRUCTION AND ACQUISITION.—Using
3 amounts appropriated pursuant to the authorization of ap-
4 propriations in section 2204(a)(5)(A), the Secretary of the
5 Navy may construct or acquire family housing units (in-
6 cluding land acquisition and supporting facilities) at the
7 installations, for the purposes, and in the amounts set forth
8 in the following table:

Navy: Family Housing

State or Country	Installation or location	Purpose	Amount
<i>California</i>	<i>Naval Air Station, Lemoore</i>	<i>187 Units</i>	\$41,585,000
<i>Florida</i>	<i>Naval Air Station, Pensa- cola</i>	<i>25 Units</i>	\$4,447,000
<i>North Carolina</i>	<i>Marine Corps Air Station, Cherry Point</i>	<i>339 Units</i>	42,803,000
	<i>Marine Corps Base, Camp Lejeune</i>	<i>519 Units</i>	\$68,531,000
		<i>Total</i>	\$157,366,000

9 (b) PLANNING AND DESIGN.—Using amounts appro-
10 priated pursuant to the authorization of appropriation in
11 section 2204(a)(5)(A), the Secretary of the Navy may carry
12 out architectural and engineering services and construction
13 design activities with respect to the construction or im-
14 provement of military family housing units in an amount
15 not to exceed \$8,381,000.

1 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
2 **UNITS.**

3 *Subject to section 2825 of title 10, United States Code,*
4 *and using amounts appropriated pursuant to the author-*
5 *ization of appropriations in section 2204(a)(5)(A), the Sec-*
6 *retary of the Navy may improve existing military family*
7 *housing units in an amount not to exceed \$20,446,000.*

8 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

9 *(a) IN GENERAL.—Funds are hereby authorized to be*
10 *appropriated for fiscal years beginning after September 30,*
11 *2003, for military construction, land acquisition, and mili-*
12 *tary family housing functions of the Department of the*
13 *Navy in the total amount of \$2,288,917,000, as follows:*

14 *(1) For military construction projects inside the*
15 *United States authorized by section 2201(a),*
16 *\$1,005,882,000.*

17 *(2) For military construction projects outside the*
18 *United States authorized by section 2201(b),*
19 *\$114,569,000.*

20 *(3) For unspecified minor construction projects*
21 *authorized by section 2805 of title 10, United States*
22 *Code, \$13,624,000.*

23 *(4) For architectural and engineering services*
24 *and construction design under section 2807 of title*
25 *10, United States Code, \$71,141,000.*

26 *(5) For military family housing functions:*

1 (A) *For construction and acquisition, plan-*
2 *ning and design, and improvement of military*
3 *family housing and facilities, \$184,193,000.*

4 (B) *For support of military family housing*
5 *(including functions described in section 2833 of*
6 *title 10, United States Code), \$852,778,000.*

7 (6) *For construction of a bachelors enlisted quar-*
8 *ters shipboard ashore at Naval Shipyard Norfolk, Vir-*
9 *ginia, authorized by section 2201(a) of the Military*
10 *Construction Authorization Act for Fiscal Year 2003*
11 *(division B of Public Law 107-314; 116 Stat. 2687),*
12 *\$46,730,000.*

13 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
14 *PROJECTS.—Notwithstanding the cost variations author-*
15 *ized by section 2853 of title 10, United States Code, and*
16 *any other cost variation authorized by law, the total cost*
17 *of all projects carried out under section 2201 of this Act*
18 *may not exceed the sum of the following:*

19 (1) *The total amount authorized to be appro-*
20 *priated under paragraphs (1) and (2) of subsection*
21 *(a).*

22 (2) *\$25,690,000 (the balance of the amount au-*
23 *thorized under section 2101(a) for construction of a*
24 *tertiary sewage treatment facility, Marine Corp Base,*
25 *Camp Pendleton, California).*

1 (3) \$58,190,000 (the balance of the amount au-
2 thorized under section 2101(a) for construction of a
3 battle station training facility, Naval Training Cen-
4 ter, Great Lakes, Illinois).

5 (4) \$96,980,000 (the balance of the amount au-
6 thorized under section 2101(a) for construction of a
7 general purpose berthing pier, Naval Weapons Sta-
8 tion Earle, New Jersey).

9 (5) \$118,170,000 (the balance of the amount au-
10 thorized under section 2101(a) for construction of the
11 Pier 11 replacement, Naval Station, Norfolk, Vir-
12 ginia).

13 (6) \$28,750,000 (the balance of the amount au-
14 thorized under section 2101(a) for construction of out-
15 lying landing field facilities, various locations in the
16 continental United States).

17 **TITLE XXIII—AIR FORCE**

18 **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND**

19 **LAND ACQUISITION PROJECTS.**

20 (a) *INSIDE THE UNITED STATES.*—Using amounts ap-
21 propriated pursuant to the authorization of appropriations
22 in section 2304(a)(1), the Secretary of the Air Force may
23 acquire real property and carry out military construction
24 projects for the installations and locations inside the United
25 States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	\$26,000,000
Alaska	Eielson Air Force Base	\$33,261,000
	Elmendorf Air Force Base	\$2,000,000
Arizona	Davis-Monthan Air Force Base	\$10,062,000
Arkansas	Little Rock Air Force Base	\$7,445,000
California	Beale Air Force Base	\$22,750,000
	Edwards Air Force Base	\$26,744,000
	Vandenberg Air Force Base	\$16,500,000
Colorado	Buckley Air Force Base	\$7,019,000
District of Columbia	Bolling Air Force Base	\$9,300,000
Florida	Hurlburt Field	\$27,200,000
	Tyndall Air Force Base	\$20,720,000
Georgia	Robins Air Force Base	\$37,164,000
Hawaii	Hickam Air Force Base	\$73,296,000
Idaho	Mountain Home Air Force Base	\$5,445,000
Illinois	Scott Air Force Base	\$1,900,000
Mississippi	Columbus Air Force Base	\$2,200,000
	Keesler Air Force Base	\$2,900,000
Missouri	Whiteman Air Force Base	\$11,600,000
New Jersey	McGuire Air Force Base	\$11,861,000
New Mexico	Kirtland Air Force Base	\$11,247,000
	Tularosa Radar Test Site	\$3,600,000
North Carolina	Pope Air Force Base	\$24,499,000
	Seymour Johnson Air Force Base	\$23,022,000
North Dakota	Minot Air Force Base	\$3,190,000
Ohio	Wright-Patterson Air Force Base	\$21,100,000
Oklahoma	Altus Air Force Base	\$1,167,000
	Tinker Air Force Base	\$19,444,000
South Carolina	Charleston Air Force Base	\$9,042,000
	Shaw Air Force Base	\$8,500,000
Texas	Goodfellow Air Force Base	\$20,335,000
	Lackland Air Force Base	\$57,360,000
	Laughlin Air Force Base	\$12,400,000
	Sheppard Air Force Base	\$38,167,000
Utah	Hill Air Force Base	\$15,848,000
Virginia	Langley Air Force Base	\$25,474,000
Washington	McChord Air Force Base	\$19,000,000
	Total	\$668,762,000

1 (b) *OUTSIDE THE UNITED STATES.*—Using amounts
2 appropriated pursuant to the authorization of appropri-
3 ations in section 2304(a)(2), the Secretary of the Air Force
4 may acquire real property and carry out military construc-
5 tion projects for the installations and locations outside the
6 United States, and in the amounts, set forth in the following
7 table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Ramstein Air Base	\$41,866,000
	Spangdahlem Air Base	\$5,411,000
Italy	Aviano Air Base	\$14,025,000
Korea	Kunsan Air Base	\$7,059,000
	Osan Air Base	\$16,638,000
Portugal	Lajes Field, Azores	\$4,086,000
Turkey	Incirlik Air Base	\$3,262,000
United Kingdom	Royal Air Force, Lakenheath	\$42,487,000
	Royal Air Force, Mildenhall	\$10,558,000
Wake Island	Wake Island	\$24,000,000
	<i>Total</i>	\$169,392,000

1 (c) *UNSPECIFIED WORLDWIDE.*—Using amounts ap-
2 propriated pursuant to the authorization of appropriations
3 in section 2304(a)(3), the Secretary of the Air Force may
4 acquire real property and carry out military construction
5 projects for the installation and location, and in the
6 amount, set forth in the following table:

Air Force: Unspecified Worldwide

Location	Installation or location	Amount
Unspecified Worldwide	Classified Location	\$29,501,000
	<i>Total</i>	\$29,501,000

7 SEC. 2302. FAMILY HOUSING.

8 (a) *CONSTRUCTION AND ACQUISITION.*—Using
9 amounts appropriated pursuant to the authorization of ap-
10 propriations in section 2304(a)(6)(A), the Secretary of the
11 Air Force may construct or acquire family housing units
12 (including land acquisition and supporting facilities) at
13 the installations, for the purposes, and in the amounts set
14 forth in the following table:

1 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**
2 **FORCE.**

3 (a) *IN GENERAL.*—Funds are hereby authorized to be
4 appropriated for fiscal years beginning after September 30,
5 2003, for military construction, land acquisition, and mili-
6 tary family housing functions of the Department of the Air
7 Force in the total amount of \$2,477,609,000, as follows:

8 (1) *For military construction projects inside the*
9 *United States authorized by section 2301(a),*
10 *\$660,282,000.*

11 (2) *For military construction projects outside the*
12 *United States authorized by section 2301(b),*
13 *\$169,392,000.*

14 (3) *For military construction projects at unspec-*
15 *ified worldwide locations authorized by section*
16 *2301(c), \$28,981,000.*

17 (4) *For unspecified minor construction projects*
18 *authorized by section 2805 of title 10, United States*
19 *Code, \$12,000,000.*

20 (5) *For architectural and engineering services*
21 *and construction design under section 2807 of title*
22 *10, United States Code, \$115,421,000.*

23 (6) *For military housing functions:*

24 (A) *For construction and acquisition, plan-*
25 *ning and design, and improvement of military*
26 *family housing and facilities, \$657,065,000.*

1 (B) For support of military family housing
 2 (including functions described in section 2833 of
 3 title 10, United States Code), \$834,468,000.

4 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
 5 *PROJECTS.*—Notwithstanding the cost variations author-
 6 ized by section 2853 of title 10, United States Code, and
 7 any other cost variation authorized by law, the total cost
 8 of all projects carried out under section 2301 of this Act
 9 may not exceed the total amount authorized to be appro-
 10 priated under paragraphs (1), (2), and (3) of subsection
 11 (a).

12 **TITLE XXIV—DEFENSE**
 13 **AGENCIES**

14 **SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUC-**
 15 **TION AND LAND ACQUISITION PROJECTS.**

16 (a) *INSIDE THE UNITED STATES.*—Using amounts ap-
 17 propriated pursuant to the authorization of appropriations
 18 in section 2405(a)(1), the Secretary of Defense may acquire
 19 real property and carry out military construction projects
 20 for the installations and locations inside the United States,
 21 and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
<i>Defense Education Activity</i>	<i>Marine Corps Base, Camp Lejeune, North Carolina</i>	\$15,259,000
<i>Defense Logistics Agency</i>	<i>Defense Distribution Depot, New Cumberland, Pennsylvania</i>	\$27,700,000
	<i>Eglin Air Force Base, Florida</i>	\$4,800,000
	<i>Eielson Air Force Base, Alaska</i>	\$17,000,000
	<i>Hickam Air Force Base, Hawaii</i>	\$14,100,000
	<i>Hurlburt Field, Florida</i>	\$4,100,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
<i>National Security Agency Special Operations Command</i>	<i>Offutt Air Force Base, Nebraska</i>	<i>\$13,400,000</i>
	<i>Langley Air Force Base, Virginia</i>	<i>\$13,000,000</i>
	<i>Laughlin Air Force Base, Texas</i>	<i>\$4,688,000</i>
	<i>McChord Air Force Base, Washington</i>	<i>\$8,100,000</i>
	<i>Naval Air Station, Kingsville, Texas</i>	<i>\$9,200,000</i>
	<i>Nellis Air Force Base, Nevada</i>	<i>\$12,800,000</i>
	<i>Fort Meade, Maryland</i>	<i>\$1,842,000</i>
	<i>Dam Neck, Virginia</i>	<i>\$15,281,000</i>
	<i>Fort Benning, Georgia</i>	<i>\$2,100,000</i>
	<i>Fort Bragg, North Carolina</i>	<i>\$36,300,000</i>
	<i>Fort Campbell, Kentucky</i>	<i>\$7,800,000</i>
	<i>Harrisburg International Airport, Pennsylvania</i>	<i>\$3,000,000</i>
	<i>Hurlburt Field, Florida</i>	<i>\$6,000,000</i>
	<i>MacDill, Air Force Base, Florida</i>	<i>\$25,500,000</i>
<i>TRICARE Management Activ- ity</i>	<i>Naval Amphibious Base, Coronado, California</i>	<i>\$2,800,000</i>
	<i>Fort Hood, Texas</i>	<i>\$9,400,000</i>
	<i>Naval Station, Anacostia, District of Columbia</i>	<i>\$15,714,000</i>
	<i>Naval Submarine Base, New London, Connecticut</i>	<i>\$6,700,000</i>
	<i>United States Air Force Academy, Colorado</i>	<i>\$22,100,000</i>
<i>Washington Headquarters Services</i>	<i>Walter Reed Medical Center, District of Columbia</i>	<i>\$9,000,000</i>
	<i>Arlington, Virginia</i>	<i>\$38,086,000</i>
	<i>Total</i>	<i>\$345,770,000</i>

1 **(b) OUTSIDE THE UNITED STATES.**—Using amounts
2 *appropriated pursuant to the authorization of appropri-*
3 *tions in section 2405(a)(2), the Secretary of Defense may*
4 *acquire real property and carry out military construction*
5 *projects for the installations and locations outside the*
6 *United States, and in the amounts, set forth in the following*
7 *table:*

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
<i>Defense Education Activity</i>	<i>Grafenwoehr, Germany</i>	<i>\$36,247,000</i>
	<i>Heidelberg, Germany</i>	<i>\$3,086,000</i>
	<i>Vilseck, Germany</i>	<i>\$1,773,000</i>
	<i>Sigonella, Italy</i>	<i>\$30,234,000</i>
	<i>Vicenza, Italy</i>	<i>\$16,374,000</i>
	<i>Camp Humphreys, Korea</i>	<i>\$31,683,000</i>
<i>Special Operations Command TRICARE Management Activ- ity</i>	<i>Stuttgart, Germany</i>	<i>\$11,400,000</i>
	<i>Anderson Air Force Base, Guam</i>	<i>\$26,000,000</i>

Defense Agencies: Outside the United States—Continued

Agency	Installation or location	Amount
	Grafenwoehr, Germany	\$12,585,000
	Total	\$169,382,000

1 **SEC. 2402. FAMILY HOUSING.**

2 *Using amounts appropriated pursuant to the author-*
3 *ization of appropriations in section 2405(a)(8)(A), the Sec-*
4 *retary of Defense may carry out architectural and engineer-*
5 *ing services and construction design activities with respect*
6 *to the construction or improvement of military family hous-*
7 *ing units in an amount not to exceed \$300,000.*

8 **SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING**9 **UNITS.**

10 *Subject to section 2825 of title 10, United States Code,*
11 *and using amounts appropriated pursuant to the author-*
12 *ization of appropriations in section 2405(a)(8)(A), the Sec-*
13 *retary of Defense may improve existing military family*
14 *housing units in an amount not to exceed \$50,000.*

15 **SEC. 2404. ENERGY CONSERVATION PROJECTS.**

16 *Using amounts appropriated pursuant to the author-*
17 *ization of appropriations in section 2405(a)(6), the Sec-*
18 *retary of Defense may carry out energy conservation*
19 *projects under section 2865 of title 10, United States Code,*
20 *in the amount of \$69,500,000.*

1 **SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE**
2 **AGENCIES.**

3 (a) *IN GENERAL.*—Funds are hereby authorized to be
4 appropriated for fiscal years beginning after September 30,
5 2003, for military construction, land acquisition, and mili-
6 tary family housing functions of the Department of Defense
7 (other than the military departments) in the total amount
8 of \$1,223,066,000, as follows:

9 (1) *For military construction projects inside the*
10 *United States authorized by section 2401(a),*
11 *\$343,570,000.*

12 (2) *For military construction projects outside the*
13 *United States authorized by section 2401(b),*
14 *\$152,017,000.*

15 (3) *For unspecified minor construction projects*
16 *under section 2805 of title 10, United States Code,*
17 *\$16,153,000.*

18 (4) *For contingency construction projects of the*
19 *Secretary of Defense under section 2804 of title 10,*
20 *United States Code, \$8,960,000.*

21 (5) *For architectural and engineering services*
22 *and construction design under section 2807 of title*
23 *10, United States Code, \$66,834,000.*

24 (6) *For energy conservation projects authorized*
25 *by section 2404, \$69,500,000.*

1 (7) *For base closure and realignment activities*
2 *as authorized by the Defense Base Closure and Re-*
3 *alignment Act of 1990 (part A of title XXIX of Public*
4 *Law 101–510; 10 U.S.C. 2687 note), \$370,427,000.*

5 (8) *For military family housing functions:*

6 (A) *For planning, design, and improvement*
7 *of military family housing and facilities,*
8 *\$350,000.*

9 (B) *For support of military family housing*
10 *(including functions described in section 2833 of*
11 *title 10, United States Code), \$49,440,000.*

12 (C) *For credit to the Department of Defense*
13 *Family Housing Improvement Fund established*
14 *by section 2883(a)(1) of title 10, United States*
15 *Code, \$300,000.*

16 (9) *For construction of the Defense Threat Re-*
17 *duction Center at Fort Belvoir, Virginia, authorized*
18 *by section 2401(a) of the Military Construction Au-*
19 *thorization Act for Fiscal Year 2003 (division B of*
20 *Public Law 107–314; 116 Stat. 2695), \$25,700,000.*

21 (10) *For the construction of phase 5 of an am-*
22 *munition demilitarization facility at Pueblo Depot*
23 *Activity, Colorado, authorized by section 2401(a) of*
24 *the Military Construction Authorization Act for Fis-*
25 *cal Year 1997 (division B of Public Law 104–201;*

1 *110 Stat. 2775), as amended by section 2406 of the*
2 *Military Construction Authorization Act for Fiscal*
3 *Year 2000 (division B of Public Law 106–65; 113*
4 *Stat. 839) and section 2407 of the Military Construc-*
5 *tion Authorization Act for Fiscal Year 2003 (division*
6 *B of Public Law 107–314; 116 Stat. 2698),*
7 *\$88,388,000.*

8 *(11) For the construction of phase 6 of an am-*
9 *munition demilitarization facility at Newport Army*
10 *Ammunition Plant, Indiana, authorized by section*
11 *2401(a) of the Military Construction Authorization*
12 *Act for Fiscal Year 1999 (division B of Public Law*
13 *105–261; 112 Stat. 2193), as amended by section*
14 *2406 of the Military Construction Authorization Act*
15 *for Fiscal Year 2003 (division B of Public Law 107–*
16 *314; 116 Stat. 2698), \$15,207,000.*

17 *(12) For the construction of phase 4 of an am-*
18 *munition demilitarization facility at Blue Grass*
19 *Army Depot, Kentucky, authorized by section 2401(a)*
20 *of the Military Construction Authorization Act for*
21 *Fiscal Year 2000 (division B of Public Law 106–65;*
22 *113 Stat. 835), as amended by section 2405 of the*
23 *Military Construction Authorization Act for Fiscal*
24 *Year 2002 (division B of Public Law 107–107; 115*
25 *Stat. 1298) and section 2405 of the Military Con-*

1 *struction Authorization Act for Fiscal Year 2003 (di-*
2 *vision B of Public Law 107-314; 116 Stat. 2698),*
3 *\$16,220,000.*

4 *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*
5 *PROJECTS.—Notwithstanding the cost variations author-*
6 *ized by section 2853 of title 10, United States Code, and*
7 *any other cost variation authorized by law, the total cost*
8 *of all projects carried out under section 2401 of this Act*
9 *may not exceed the total amount authorized to be appro-*
10 *priated under paragraphs (1) and (2) of subsection (a).*

11 ***TITLE XXV—NORTH ATLANTIC***
12 ***TREATY ORGANIZATION SE-***
13 ***CURITY INVESTMENT PRO-***
14 ***GRAM***

15 ***SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND***
16 ***ACQUISITION PROJECTS.***

17 *The Secretary of Defense may make contributions for*
18 *the North Atlantic Treaty Organization Security Invest-*
19 *ment program as provided in section 2806 of title 10,*
20 *United States Code, in an amount not to exceed the sum*
21 *of the amount authorized to be appropriated for this pur-*
22 *pose in section 2502 and the amount collected from the*
23 *North Atlantic Treaty Organization as a result of construc-*
24 *tion previously financed by the United States.*

1 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

2 *Funds are hereby authorized to be appropriated for fis-*
3 *cal years beginning after September 30, 2003, for contribu-*
4 *tions by the Secretary of Defense under section 2806 of title*
5 *10, United States Code, for the share of the United States*
6 *of the cost of projects for the North Atlantic Treaty Organi-*
7 *zation Security Investment program authorized by section*
8 *2501, in the amount of \$169,300,000.*

9 **TITLE XXVI—GUARD AND**
10 **RESERVE FORCES FACILITIES**

11 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**
12 **TION AND LAND ACQUISITION PROJECTS.**

13 *There are authorized to be appropriated for fiscal*
14 *years beginning after September 30, 2003, for the costs of*
15 *acquisition, architectural and engineering services, and*
16 *construction of facilities for the Guard and Reserve Forces,*
17 *and for contributions therefor, under chapter 1803 of title*
18 *10, United States Code (including the cost of acquisition*
19 *of land for those facilities), the following amounts:*

20 (1) *For the Department of the Army—*

21 (A) *for the Army National Guard of the*
22 *United States, \$253,788,000; and*

23 (B) *for the Army Reserve, \$89,840,000.*

24 (2) *For the Department of the Navy, for the*
25 *Naval and Marine Corps Reserve, \$45,762,000.*

26 (3) *For the Department of the Air Force—*

1 (A) for the Air National Guard of the
2 United States, \$123,408,000; and

3 (B) for the Air Force Reserve, \$61,143,000.

4 **TITLE XXVII—EXPIRATION AND**
5 **EXTENSION OF AUTHORIZA-**
6 **TIONS**

7 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**
8 **AMOUNTS REQUIRED TO BE SPECIFIED BY**
9 **LAW.**

10 (a) *EXPIRATION OF AUTHORIZATIONS AFTER THREE*
11 *YEARS.*—*Except as provided in subsection (b), all author-*
12 *izations contained in titles XXI through XXVI for military*
13 *construction projects, land acquisition, family housing*
14 *projects and facilities, and contributions to the North At-*
15 *lantic Treaty Organization Security Investment program*
16 *(and authorizations of appropriations therefor) shall expire*
17 *on the later of—*

18 (1) *October 1, 2006; or*

19 (2) *the date of the enactment of an Act author-*
20 *izing funds for military construction for fiscal year*
21 *2007.*

22 (b) *EXCEPTION.*—*Subsection (a) shall not apply to au-*
23 *thorizations for military construction projects, land acqui-*
24 *sition, family housing projects, and facilities, and contribu-*
25 *tions to the North Atlantic Treaty Organization Security*

1 *Investment program (and authorizations of appropriations*
2 *therefor) for which appropriated funds have been obligated*
3 *before the later of—*

4 (1) *October 1, 2006; or*

5 (2) *the date of the enactment of an Act author-*
6 *izing funds for fiscal year 2007 for military construc-*
7 *tion projects, land acquisition, family housing*
8 *projects and facilities, and contributions to the North*
9 *Atlantic Treaty Organization Security Investment*
10 *program.*

11 **SEC. 2702. EXTENSION OF AUTHORIZATION OF CERTAIN**
12 **FISCAL YEAR 2001 PROJECT.**

13 (a) *EXTENSION OF CERTAIN PROJECT.—Notwith-*
14 *standing section 2701 of the Floyd D. Spence National De-*
15 *fense Authorization Act for Fiscal Year 2001 (as enacted*
16 *into law by Public Law 106–398; 114 Stat. 1654A–407),*
17 *the authorization set forth in the table in subsection (b),*
18 *as provided in section 2102 of that Act, shall remain in*
19 *effect until October 1, 2004, or the date of the enactment*
20 *of an Act authorizing funds for military construction for*
21 *fiscal year 2005, whichever is later.*

22 (b) *TABLE.—The table referred to in subsection (a) is*
23 *as follows:*

Army: Extension of 2001 Project Authorization

State	Installation or location	Project	Amount
South Carolina	Fort Jackson	New Construction—GFOQ	\$250,000

1 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
 2 **FISCAL YEAR 2000 PROJECTS.**

3 (a) *EXTENSION.*—Notwithstanding section 2701 of the
 4 *Military Construction Authorization Act for Fiscal Year*
 5 *2000 (division B of Public Law 106–65; 113 Stat. 841),*
 6 *the authorizations set forth in the tables in subsection (b),*
 7 *as provided in section 2302 or 2601 of that Act and ex-*
 8 *tended by section 2702 of the Military Construction Author-*
 9 *ization Act for Fiscal Year 2003 (division B of Public Law*
 10 *107–314; 116 Stat. 2700), shall remain in effect until Octo-*
 11 *ber 1, 2004, or the date of the enactment of an Act author-*
 12 *izing funds for military construction for fiscal year 2005,*
 13 *whichever is later.*

14 (b) *TABLES.*—The tables referred to in subsection (a)
 15 *is as follows:*

Air Force: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Oklahoma	Tinker Air Force Base ..	Replace Family Housing (41 Units)	\$6,000,000

Army National Guard: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Virginia	Fort Pickett	Multi-purpose Range-Heavy	\$13,500,000

1 **SEC. 2704. EFFECTIVE DATE.**

2 *Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of*
 3 *this Act shall take effect on the later of—*

4 *(1) October 1, 2003; or*

5 *(2) the date of the enactment of this Act.*

6 **TITLE XXVIII—GENERAL**
 7 **PROVISIONS**

8 **Subtitle A—Military Construction**
 9 **Program and Military Family**
 10 **Housing Changes**

11 **SEC. 2801. INCREASE IN MAXIMUM AMOUNT OF AUTHOR-**
 12 **IZED ANNUAL EMERGENCY CONSTRUCTION.**

13 *Section 2803(c)(1) of title 10, United States Code, is*
 14 *amended by striking “\$30,000,000” and inserting*
 15 *“\$45,000,000”.*

16 **SEC. 2802. AUTHORITY TO LEASE MILITARY FAMILY HOUS-**
 17 **ING UNITS IN ITALY.**

18 *Section 2828(e)(2) of title 10, United States Code, is*
 19 *amended by striking “2,000 units” and inserting “2,800*
 20 *units”.*

21 **SEC. 2803. CHANGES TO ALTERNATIVE AUTHORITY FOR AC-**
 22 **QUISITION AND IMPROVEMENT OF MILITARY**
 23 **HOUSING.**

24 *(a) SPACE LIMITATIONS BY PAY GRADE.—Section*
 25 *2880(b)(2) of title 10, United States Code, is amended by*

1 striking “unless the unit is located on a military installa-
2 tion”.

3 (b) DEPARTMENT OF DEFENSE HOUSING FUND.—(1)
4 Section 2883 of such title is amended by striking sub-
5 sections (a), (b), and (c) and inserting the following new
6 subsections (a) and (b):

7 “(a) ESTABLISHMENT.—There is hereby established on
8 the books of the Treasury an account to be known as the
9 Department of Defense Housing Improvement Fund (in this
10 section referred to as the ‘Fund’).

11 “(b) CREDITS TO FUND.—There shall be credited to the
12 Fund the following:

13 “(1) Amounts authorized for and appropriated
14 to the Fund.

15 “(2) Subject to subsection (e), any amounts that
16 the Secretary of Defense transfers, in such amounts as
17 are provided for in appropriation Acts, to the Fund
18 from amounts authorized and appropriated to the De-
19 partment of Defense for the acquisition or construc-
20 tion of military family housing or military unaccom-
21 panied housing.

22 “(3) Proceeds from the conveyance or lease of
23 property or facilities under section 2878 of this title
24 for the purpose of carrying out activities under this

1 *subchapter with respect to military family housing or*
2 *military unaccompanied housing.*

3 “(4) *Income derived from any activities under*
4 *this subchapter with respect to military family hous-*
5 *ing or military unaccompanied housing, income and*
6 *gains realized from investments under section 2875 of*
7 *this title, and any return of capital invested as part*
8 *of such investments.*

9 “(5) *Any amounts that the Secretary of the Navy*
10 *transfers to the Fund pursuant to section 2814(i)(3)*
11 *of this title, subject to the restrictions on the use of*
12 *the transferred amounts specified in that section.”.*

13 *(2) Such section is further amended—*

14 *(A) by redesignating subsections (d) through (g)*
15 *as (c) through (f), respectively;*

16 *(B) in subsection (c), as so redesignated—*

17 *(i) in the subsection heading, by striking*
18 *“FUNDS” and inserting “FUND”;*

19 *(ii) in paragraph (1)—*

20 *(I) by striking “subsection (e)” and in-*
21 *serting “subsection (d)”;* and

22 *(II) by striking “Department of De-*
23 *fense Family Housing Improvement Fund”*
24 *and inserting “Fund”;*

25 *(iii) by striking paragraph (2); and*

1 (iv) by redesignating paragraph (3) as
2 paragraph (2);

3 (C) in subsection (e), as so redesignated, by
4 striking “a Fund under paragraph (1)(B) or (2)(B)
5 of subsection (c)” and inserting “the Fund under sub-
6 section (b)(2)”; and

7 (D) in subsection (f), as so redesignated, by
8 striking “\$850,000,000” in paragraph (1) and insert-
9 ing “\$900,000,000”.

10 (c) *TRANSFER OF UNOBLIGATED AMOUNTS.*—(1) *The*
11 *Secretary of Defense shall transfer to the Department of De-*
12 *fense Housing Improvement Fund established under section*
13 *2883(a) of title 10, United States Code (as amended by sub-*
14 *section (b)), any amounts in the Department of Defense*
15 *Family Housing Improvement Fund and the Department*
16 *of Defense Military Unaccompanied Housing Improvement*
17 *that remain available for obligation as of the date of the*
18 *enactment of this Act.*

19 (2) *Amounts transferred to the Department of Defense*
20 *Housing Improvement Fund under paragraph (1) shall be*
21 *merged with amounts in that Fund, and shall be available*
22 *for the same purposes, and subject to the same conditions*
23 *and limitations, as other amounts in that Fund.*

24 (d) *CONFORMING AMENDMENTS.*—(1) *Paragraph (3)*
25 *of section 2814(i) of such title is amended—*

1 *item relating to section 2883 and inserting the following*
2 *new item:*

“2883. Department of Defense Housing Improvement Fund.”.

3 **SEC. 2804. ADDITIONAL MATERIAL FOR ANNUAL REPORT**

4 **ON HOUSING PRIVATIZATION PROGRAM.**

5 *Section 2884(b) of title 10, United States Code, is*
6 *amended—*

7 *(1) in paragraph (2), by inserting before the pe-*
8 *riod at the end the following: “, and such rec-*
9 *ommendations as the Secretary considers necessary*
10 *for improving the extent and effectiveness of the use*
11 *of such authorities in the future”;* and

12 *(2) by striking paragraph (3) and inserting the*
13 *following new paragraphs:*

14 *“(3) A review of activities of the Secretary under*
15 *this subchapter during such preceding fiscal year,*
16 *shown for military family housing, military unac-*
17 *companied housing, dual military family housing*
18 *and military unaccompanied housing, and ancillary*
19 *supporting facilities.*

20 *“(4) If a contract for the acquisition or construc-*
21 *tion of military family housing, military unaccom-*
22 *panied housing, or dual military family housing and*
23 *military unaccompanied housing entered into during*
24 *the preceding fiscal year did not include the acquisi-*
25 *tion or construction of the types of ancillary sup-*

1 *porting facilities specifically referred to in section*
 2 *2871(1) of this title, a explanation of the reasons why*
 3 *such ancillary supporting facilities were not included.*

4 *“(5) A description of the Secretary’s plans for*
 5 *housing privatization activities under this subchapter*
 6 *(A) during the fiscal year for which the budget is sub-*
 7 *mitted, and (B) during the period covered by the*
 8 *then-current future-years defense plan under section*
 9 *221 of this title.”.*

10 ***SEC. 2805. AUTHORITY TO CONVEY PROPERTY AT MILITARY***
 11 ***INSTALLATIONS CLOSED OR TO BE CLOSED***
 12 ***IN EXCHANGE FOR MILITARY CONSTRUCTION***
 13 ***ACTIVITIES.***

14 *(a) IN GENERAL.—(1) Subchapter III of chapter 169*
 15 *of title 10, United States Code, is amended by adding at*
 16 *the end the following new section:*

17 ***“§2869. Conveyance of property at military installa-***
 18 ***tions closed or to be closed in exchange***
 19 ***for military construction activities***

20 *“(a) CONVEYANCE AUTHORIZED; CONSIDERATION.—*
 21 *The Secretary of Defense may enter into an agreement to*
 22 *convey real property, including any improvements thereon,*
 23 *located on a military installation that is closed or realigned*
 24 *under a base closure law to any person who agrees, in ex-*
 25 *change for the real property—*

1 “(1) to carry out, or provide services in connec-
2 tion with, an authorized military construction
3 project; or

4 “(2) to transfer to the Secretary of Defense hous-
5 ing that is constructed or provided by the person and
6 located at or near a military installation at which
7 there is a shortage of suitable military family housing
8 or military unaccompanied housing (or both).

9 “(b) *CONDITIONS ON CONVEYANCE AUTHORITY.*—A
10 conveyance of real property may be made under subsection
11 (a) only if—

12 “(1) the fair market value of the consideration to
13 be received in exchange for the real property conveyed
14 under subsection (a) is equal to or greater than the
15 fair market value of the property, including any im-
16 provements thereon, as determined by the Secretary
17 concerned; and

18 “(2) in the event the fair market value of the
19 consideration to be received is equal to at least 90
20 percent, but less than 100 percent, of the fair market
21 value of the real property to be conveyed, including
22 any improvements thereon, the recipient of the prop-
23 erty agrees to pay to the Secretary of Defense an
24 amount equal to the difference in the fair market val-
25 ues.

1 “(c) *USE OF AUTHORITY.*—(1) *To the maximum ex-*
2 *tent practicable, the Secretary of Defense shall use the au-*
3 *thority provided by subsection (a) to convey at least 20 per-*
4 *cent of the total acreage conveyed each fiscal year at mili-*
5 *tary installations closed or realigned under the base closure*
6 *laws. Notice of the proposed use of this authority shall be*
7 *provided in such manner as the Secretary may prescribe,*
8 *including publication in the Federal Register and other-*
9 *wise. In determining such total acreage for a fiscal year,*
10 *the Secretary shall exclude real property identified in a re-*
11 *development plan as property essential to the reuse or*
12 *redevelopment of a military installation closed or to be closed*
13 *under a base closure law.*

14 “(2) *To the maximum extent practicable, the Secretary*
15 *of Defense shall endeavor to use the authority provided by*
16 *subsection (a) to obtain military construction and military*
17 *housing services having a total value of at least*
18 *\$200,000,000 each fiscal year for each of the military de-*
19 *partments.*

20 “(3) *The Secretary concerned shall utilize the author-*
21 *ity provided in subsection (a) in lieu of obligating and ex-*
22 *pending funds appropriated for military construction and*
23 *military housing projects that are authorized by law.*

24 “(d) *DEPOSIT OF FUNDS.*—*The Secretary of Defense*
25 *may deposit funds received under subsection (b)(2) in the*

1 *Department of Defense Housing Improvement Fund estab-*
2 *lished under section 2883(a) of this title.*

3 “(e) *ANNUAL REPORT.*—*The Secretary of Defense shall*
4 *include each year in the materials that the Secretary sub-*
5 *mits to Congress in support of the budget submitted by the*
6 *President pursuant to section 1105 of title 31 a report de-*
7 *tailing the extent to which the Secretary used the authority*
8 *provided by subsection (a) to convey real property in ex-*
9 *change for military construction and military housing and*
10 *plans for the use of such authority for the future. The report*
11 *shall include the following:*

12 “(1) *The total value of the real property that was*
13 *actually conveyed during the preceding fiscal year*
14 *using the authority provided by subsection (a).*

15 “(2) *The total value of the military construction*
16 *and military housing services obtained in exchange,*
17 *and, if the dollar goal specified in subsection (c)(2)*
18 *was not achieved for a military department, an ex-*
19 *planation regarding the reasons why the goal was not*
20 *achieved.*

21 “(3) *The current inventory of unconveyed lands*
22 *at military installations closed or realigned under a*
23 *base closure law.*

24 “(4) *A description of the results of conveyances*
25 *under subsection (a) during the preceding fiscal year*

1 *and plans for such conveyances for the current fiscal*
2 *year, the fiscal year covered by the budget, and the*
3 *period covered by the current future-years defense pro-*
4 *gram under section 221 of this title.*

5 *“(f) DESCRIPTION OF PROPERTY.—The exact acreage*
6 *and legal description of real property conveyed under sub-*
7 *section (a) shall be determined by surveys satisfactory to*
8 *the Secretary of Defense.*

9 *“(g) ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
10 *retary of Defense may require such additional terms and*
11 *conditions in connection with a conveyance under sub-*
12 *section (a) as the Secretary considers appropriate to protect*
13 *the interests of the United States.”.*

14 *(2) The table of sections at the beginning of such sub-*
15 *chapter is amended by adding at the end the following new*
16 *item:*

*“2869. Conveyance of property at military installations closed or to be closed in
exchange for military construction activities.”.*

17 *(b) EXCEPTION TO REQUIREMENT FOR AUTHORIZA-*
18 *TION OF NUMBER OF HOUSING UNITS.—Section 2822 of*
19 *such title is amended by adding at the end the following*
20 *new paragraph:*

21 *“(6) Housing units constructed or provided*
22 *under section 2869 of this title.”.*

23 *(c) CONFORMING AMENDMENT TO DEPARTMENT OF*
24 *DEFENSE HOUSING IMPROVEMENT FUND.—Section*

1 2883(b) of such title, as amended by section 2803, is further
2 amended by adding at the end the following new paragraph:

3 “(6) Any amounts that the Secretary concerned
4 transfers to the Fund pursuant to section 2869 of this
5 title.”.

6 (d) *CONFORMING REPEALS TO BASE CLOSURE*
7 *LAWS.*—(1) Section 204(e) of the Defense Authorization
8 Amendments and Base Closure and Realignment Act (Pub-
9 lic Law 100–526; 10 U.S.C. 2687 note) is repealed.

10 (2) Section 2905(f) of the Defense Base Closure and
11 Realignment Act of 1990 (part A of title XXIX of Public
12 Law 101–510; 10 U.S.C. 2687 note) is repealed.

13 **SEC. 2806. CONGRESSIONAL NOTIFICATION AND REPORT-**
14 **ING REQUIREMENTS AND LIMITATIONS RE-**
15 **GARDING USE OF OPERATION AND MAINTE-**
16 **NANCE FUNDS FOR CONSTRUCTION.**

17 (a) *IN GENERAL.*—Subchapter I of chapter 169 of title
18 10, United States Code, is amended by inserting after sec-
19 tion 2809 the following new section:

20 **“§2810. Use of operation and maintenance funds for**
21 **construction: notification and reporting**
22 **requirements and limitations**

23 “(a) *ADVANCE NOTIFICATION OF OBLIGATION OF*
24 *FUNDS.*—(1) The Secretary concerned shall submit to the
25 appropriate committees of Congress advance written notice

1 before appropriations available for operation and mainte-
2 nance are obligated for construction described in paragraph
3 (2). The notice shall be submitted not later than 14 days
4 before the date on which appropriations available for oper-
5 ation and maintenance are first obligated for that construc-
6 tion and shall contain the information required by sub-
7 section (c).

8 “(2) Paragraph (1) applies with respect to any con-
9 struction having an estimated total cost of more than
10 \$1,500,000, but not more than \$5,000,000, which is paid
11 for in whole or in part using appropriations available for
12 operation and maintenance, if—

13 “(A) the construction is necessary to meet urgent
14 military operational requirements of a temporary na-
15 ture;

16 “(B) the construction was not carried out at a
17 military installation where the United States is rea-
18 sonably expected to have a long-term interest or pres-
19 ence;

20 “(C) the United States has no intention of using
21 the construction after the operational requirement has
22 been satisfied; and

23 “(D) the level of construction is the minimum
24 necessary to meet the temporary operational need.

1 “(b) *WAIVER AUTHORITY; CONGRESSIONAL NOTIFICA-*
2 *TION.—(1) The Secretary concerned may waive the advance*
3 *notice requirement under subsection (a) on a case-by-case*
4 *basis if the Secretary determines that—*

5 “(A) *the project is vital to the national security*
6 *or to the protection of health, safety, or the quality of*
7 *the environment; and*

8 “(B) *the requirement for the construction is so*
9 *urgent that deferral of the construction during the pe-*
10 *riod specified in subsection (a)(1) would be incon-*
11 *sistent with national security or the protection of*
12 *health, safety, or environmental quality, as the case*
13 *may be.*

14 “(2) *Not later than five days after the date on which*
15 *a waiver is granted under paragraph (1), the Secretary*
16 *concerned shall provide to the appropriate committees of*
17 *Congress written notice containing the reasons for the waiv-*
18 *er and the information required by subsection (c) with re-*
19 *gard to the construction for which the waiver was granted.*

20 “(c) *CONTENT OF NOTICE.—The notice provided under*
21 *subsection (a) or (b) with regard to construction funded*
22 *using appropriations available for operation and mainte-*
23 *nance shall include the following:*

24 “(1) *A description of the purpose for which the*
25 *funds are being obligated.*

1 “(2) *An estimate of the total amount to be obli-*
2 *gated for the construction.*”

3 “(3) *The reasons appropriations available for*
4 *operation and maintenance are being used.*”

5 “(d) *LIMITATIONS ON USE OF OPERATION AND MAIN-*
6 *TENANCE FUNDS.—(1) The Secretary concerned shall not*
7 *use appropriations available for operation and mainte-*
8 *nance to carry out any construction having an estimated*
9 *total cost of more than \$5,000,000.*”

10 “(2) *The total cost of construction carried out by the*
11 *Secretaries concerned in whole or in part using appropria-*
12 *tions available for operation and maintenance shall not ex-*
13 *ceed \$200,000,000 in any fiscal year.*”

14 “(e) *QUARTERLY REPORT.—The Secretary concerned*
15 *shall submit to the appropriate committees of Congress a*
16 *quarterly report on the worldwide obligation and expendi-*
17 *ture of appropriations available for operation and mainte-*
18 *nance by the Secretary concerned for construction during*
19 *the preceding quarter.*”

20 “(b) *CLERICAL AMENDMENT.—The table of sections at*
21 *the beginning of such subchapter is amended by inserting*
22 *after the item relating to section 2809 the following new*
23 *item:*

 “2810. *Use of operation and maintenance funds for construction: notification and reporting requirements and limitations.*”

1 **SEC. 2807. INCREASE IN AUTHORIZED MAXIMUM LEASE**
2 **TERM FOR FAMILY HOUSING AND OTHER FA-**
3 **CILITIES IN CERTAIN FOREIGN COUNTRIES.**

4 (a) *LEASE OF MILITARY FAMILY HOUSING.*—Section
5 2828(d)(1) of title 10, United States Code, is amended by
6 striking “ten years,” and inserting “10 years, or 15 years
7 in the case of leases in Korea,”.

8 (b) *LEASES OF OTHER FACILITIES.*—Section 2675 of
9 such title is amended by inserting after “five years,” the
10 following: “or 15 years in the case of a lease in Korea,”.

11 **Subtitle B—Real Property and**
12 **Facilities Administration**

13 **SEC. 2811. REAL PROPERTY TRANSACTIONS.**

14 (a) *INCREASE IN LAND ACQUISITION AUTHORITY COST*
15 *THRESHOLD.*—Section 2672 of title 10, United States Code,
16 is amended by striking “\$500,000” both places it appears
17 and inserting “\$1,500,000”.

18 (b) *PROMPT NOTIFICATION OF CERTAIN LAND ACQUI-*
19 *SITIONS.*—Section 2672a of such title is amended—

20 (1) in subsection (a)(1), by striking “he or his
21 designee” and inserting “the Secretary”;

22 (2) in subsection (b), by striking the last sen-
23 tence; and

24 (3) by adding at the end the following new sub-
25 section:

1 “(c) Not later than 10 days after the determination
2 is made under subsection (a)(1) that acquisition of an in-
3 terest in land is needed in the interest of the national de-
4 fense, the Secretary of the military department making that
5 determination shall provide to the Committee on Armed
6 Services of the Senate and the Committee on Armed Serv-
7 ices of the House of Representatives written notice con-
8 taining a description of the property and interest to be ac-
9 quired and the reasons for the acquisition.”.

10 (c) *MODIFICATION OF RELATED NOTIFICATION RE-*
11 *QUIREMENTS.*—Section 2662 of such title is amended—

12 (1) in subsection (a)—

13 (A) by striking “30 days” and all that fol-
14 lows through “is submitted” and inserting “14
15 days after the beginning of the month with re-
16 spect to which a single report containing the
17 facts concerning such transaction and all other
18 such proposed transactions for that month is
19 submitted, not later than the first day of that
20 month,”; and

21 (B) by striking “\$500,000” each place it
22 appears and inserting “\$1,500,000”;

23 (2) in subsection (b), by striking “more than”
24 and all that follows through “\$500,000” and inserting
25 “more than \$250,000 but not more than \$1,500,000”;

1 (3) in subsection (e)—

2 (A) by striking “\$500,000” and insert-
3 ing “\$1,000,000”; and

4 (B) by striking “thirty days” and in-
5 serting “14 days”; and

6 (4) in subsection (g)(3), by striking “30
7 days” and inserting “14 days”.

8 (d) CLERICAL AMENDMENTS.—(1) The heading of sec-
9 tion 2672 of such title is amended to read as follows:

10 **“§2672. Authority to acquire low-cost interests in
11 land”.**

12 (2) The item relating to section 2672 in the table of
13 sections at the beginning of chapter 159 of such title is
14 amended to read as follows:

“2672. Authority to acquire low-cost interests in land.”.

15 **Subtitle C—Land Conveyances**

16 **SEC. 2821. TERMINATION OF LEASE AND CONVEYANCE OF**
17 **ARMY RESERVE FACILITY, CONWAY, ARKAN-**
18 **SAS.**

19 (a) TERMINATION OF LEASE.—Upon the completion of
20 the replacement facility authorized for the Army Reserve
21 facility located in Conway, Arkansas, the Secretary of the
22 Army may terminate the 99-year lease between the Sec-
23 retary and the University of Central Arkansas for the prop-
24 erty on which the old facility is located.

1 (b) *CONVEYANCE OF FACILITY.*—As part of the termi-
2 *nation of the lease under subsection (a), the Secretary may*
3 *convey, without consideration, to the University of Central*
4 *Arkansas all right, title, and interest of the United States*
5 *in and to the Army Reserve facility located on the leased*
6 *property.*

7 (c) *ASSUMPTION OF LIABILITY.*—The University of
8 *Central Arkansas shall expressly accept any and all liabil-*
9 *ity pertaining to the physical condition of the Army Re-*
10 *serve facility conveyed under subsection (b) and shall hold*
11 *the United States harmless from any and all liability aris-*
12 *ing from the facility’s physical condition.*

13 ***SEC. 2822. ACTIONS TO QUIET TITLE, FALLIN WATERS SUB-***
14 ***DIVISION, EGLIN AIR FORCE BASE, FLORIDA.***

15 (a) *AUTHORITY TO QUIET TITLE.*—Notwithstanding
16 *the restoration provisions under the heading “QUARTER-*
17 *MASTER CORPS” in the Second Deficiency Appropriation*
18 *Act, 1940 (Act of June 27, 1940; chapter 437; 54 Stat. 655),*
19 *the Secretary of the Air Force may take appropriate action*
20 *to quiet title to tracts of land referred to in paragraph (2)*
21 *on, at, adjacent, adjoining, or near Eglin Air Force Base,*
22 *Florida. The Secretary may take such action in order to*
23 *resolve encroachments upon private property by the United*
24 *States and upon property of the United States by private*
25 *parties, which resulted from reliance on inaccurate surveys.*

1 (2) *The tracts of land referred to in paragraph (1) are*
2 *generally described as south of United States Highway 98*
3 *and bisecting the north/south section line of sections 13 and*
4 *14, township 2 south, range 25 west, located in the platted*
5 *subdivision of Fallin Waters, Okaloosa County, Florida.*
6 *The exact acreage and legal description of such tracts of*
7 *land shall be determined by a survey satisfactory to the Sec-*
8 *retary.*

9 (b) *AUTHORIZED ACTIONS.—In carrying out sub-*
10 *section (a), appropriate action by the Secretary may in-*
11 *clude any of the following:*

12 (1) *Disclaiming, on behalf of the United States,*
13 *any intent by the United States to acquire by pre-*
14 *scription any property at or in the vicinity of Eglin*
15 *Air Force Base.*

16 (2) *Disposing of tracts of land owned by the*
17 *United States.*

18 (3) *Acquiring tracts of land by purchase, by do-*
19 *nation, or by exchange for tracts of land owned by the*
20 *United States at or adjacent to Eglin Air Force Base.*

21 (c) *ACREAGE LIMITATIONS.—Individual tracts of land*
22 *acquired or conveyed by the Secretary under paragraph (2)*
23 *or (3) of subsection (a) may not exceed .10 acres. The total*
24 *acreage so acquired may not exceed two acres.*

1 (d) *CONSIDERATION.*—Any conveyance by the Sec-
 2 retary under this section may be made, at the discretion
 3 of the Secretary, without consideration, or by exchange for
 4 tracts of land adjoining Eglin Air Force Base in possession
 5 of private parties who mistakenly believed that they had
 6 acquired title to such tracts.

7 **SEC. 2823. MODIFICATION OF LAND CONVEYANCE, EGLIN**
 8 **AIR FORCE BASE, FLORIDA.**

9 (a) *MODIFICATION.*—Public Law 91-347 (84 Stat.
 10 447) is amended—

11 (1) in the first section, by inserting “or for other
 12 public purposes” before the period at the end; and

13 (2) in section 3(1)—

14 (A) by inserting “or for other public pur-
 15 poses” after “schools”; and

16 (B) by striking “such purpose” and insert-
 17 ing “such a purpose”.

18 (b) *ALTERATION OF LEGAL INSTRUMENT.*—The Sec-
 19 retary of the Air Force shall execute and file in the appro-
 20 priate office an amended deed or other appropriate instru-
 21 ment effectuating the modification of the reversionary inter-
 22 est retained by the United States in connection with the
 23 conveyance made pursuant to Public Law 91-347.

1 **SEC. 2824. LAND CONVEYANCE, FORT CAMPBELL, KEN-**
2 **TUCKY AND TENNESSEE.**

3 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*
4 *Army may convey to the department of transportation of*
5 *the State of Tennessee (in this section referred to as the “de-*
6 *partment”)* all right, title, and interest of the United States
7 *in and to a parcel of real property (right-of-way), including*
8 *any improvements thereon, located at Fort Campbell, Ken-*
9 *tucky and Tennessee, for the purpose of realigning and up-*
10 *grading United States Highway 79 from a two-lane high-*
11 *way to a four-lane highway.*

12 (b) *CONSIDERATION.*—(1) *As consideration for the con-*
13 *veyance under subsection (a), the department shall pay*
14 *from any source (including Federal funds made available*
15 *to the State from the Highway Trust Fund) all of the costs*
16 *of the Secretary incurred—*

17 (A) *to convey the property, including costs re-*
18 *lated to the preparation of documents under the Na-*
19 *tional Environmental Policy Act of 1969 (42 U.S.C.*
20 *4321 et seq.), surveys (including all surveys required*
21 *under subsection (c)), cultural reviews, and adminis-*
22 *trative oversight;*

23 (B) *to relocate a cemetery to permit the highway*
24 *realignment and upgrading;*

1 *Service, a nonappropriated fund instrumentality of the*
2 *United States, to convey, by sale, all right, title, and inter-*
3 *est of the United States in and to a parcel of real property,*
4 *including any improvements thereon, located at 1515*
5 *Roundtable Drive in Dallas, Texas.*

6 **(b) CONSIDERATION.**—*As consideration for conveyance*
7 *under subsection (a), the purchaser shall pay to the Sec-*
8 *retary, in a single lump sum payment, an amount equal*
9 *to the fair market value of the real property conveyed, as*
10 *determined by the Secretary. Section 574(a) of title 40,*
11 *United States Code, shall apply with respect to the amounts*
12 *received by the Secretary under this subsection.*

13 **(c) DESCRIPTION OF PROPERTY.**—*The exact acreage*
14 *and legal description of the real property to be conveyed*
15 *under subsection (a) shall be determined by a survey satis-*
16 *factory to the Secretary. The cost of the survey shall be borne*
17 *by the purchaser.*

18 **(d) ADDITIONAL TERMS AND CONDITIONS.**—*The Sec-*
19 *retary may require such additional terms and conditions*
20 *in connection with the conveyance under subsection (a) as*
21 *the Secretary considers appropriate to protect the interests*
22 *of the United States.*

1 **SEC. 2826. LAND CONVEYANCE, NAVAL RESERVE CENTER,**
2 **ORANGE, TEXAS.**

3 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*
4 *Navy may convey to the City of Orange, Texas (in this sec-*
5 *tion referred to as the “City”), all right, title, and interest*
6 *of the United States in and to a parcel of unimproved real*
7 *property consisting of approximately 2.5 acres at Naval Re-*
8 *serve Center, Orange, Texas for the purpose of permitting*
9 *the City to use the property for road construction, economic*
10 *development, and other public purposes.*

11 (b) *CONSIDERATION.*—*As consideration for the convey-*
12 *ance under subsection (a), the City shall provide the United*
13 *States, whether by cash payment, in-kind contribution, or*
14 *a combination thereof, an amount that is not less than the*
15 *fair market value, as determined by the Secretary, of the*
16 *property conveyed under such subsection.*

17 (c) *PAYMENT OF COSTS OF CONVEYANCE.*—(1) *The*
18 *Secretary may require the City to cover costs to be incurred*
19 *by the Secretary, or to reimburse the Secretary for costs*
20 *incurred by the Secretary, to carry out the conveyance*
21 *under subsection (a), including survey costs, costs related*
22 *to environmental documentation, and other administrative*
23 *costs related to the conveyance. If amounts are collected*
24 *from the City in advance of the Secretary incurring the*
25 *actual costs, and the amount collected exceeds the costs actu-*

1 *ally incurred by the Secretary to carry out the conveyance,*
2 *the Secretary shall refund the excess amount to the City.*

3 *(2) Amounts received as reimbursement under para-*
4 *graph (1) shall be credited to the fund or account that was*
5 *used to cover the costs incurred by the Secretary in carrying*
6 *out the conveyance. Amounts so credited shall be merged*
7 *with amounts in such fund or account, and shall be avail-*
8 *able for the same purposes, and subject to the same condi-*
9 *tions and limitations, as amounts in such fund or account.*

10 *(d) EXEMPTION FROM FEDERAL SCREENING.—The*
11 *conveyance authorized by subsection (a) is exempt from the*
12 *requirement to screen the property for other Federal use*
13 *pursuant to sections 2693 and 2696 of title 10, United*
14 *States Code.*

15 *(e) DESCRIPTION OF PROPERTY.—The exact acreage*
16 *and legal description of the real property to be conveyed*
17 *under subsection (a) shall be determined by a survey satis-*
18 *factory to the Secretary.*

19 *(f) ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
20 *retary may require such additional terms and conditions*
21 *in connection with the conveyance under subsection (a) as*
22 *the Secretary considers appropriate to protect the interests*
23 *of the United States.*

1 ***Subtitle D—Other Matters***

2 ***SEC. 2841. REDESIGNATION OF YUMA TRAINING RANGE***
3 ***COMPLEX AS BOB STUMP TRAINING RANGE***
4 ***COMPLEX.***

5 *The military aviation training facility located in*
6 *southwestern Arizona and southeastern California and*
7 *known as the Yuma Training Range Complex shall be*
8 *known and designated as the “Bob Stump Training Range*
9 *Complex”. Any reference to such training range complex*
10 *in any law, regulation, map, document, record, or other*
11 *paper of the United States shall be considered to be a ref-*
12 *erence to the Bob Stump Training Range Complex.*

13 ***SEC. 2842. MODIFICATION OF AUTHORITY TO CONDUCT A***
14 ***ROUND OF REALIGNMENTS AND CLOSURES***
15 ***OF MILITARY INSTALLATIONS IN 2005.***

16 *(a) REVISION TO FORCE STRUCTURE PLAN FOR 2005*
17 *ROUND.—Section 2912(a) of the Defense Base Closure and*
18 *Realignment Act of 1990 (part A of title XXIX of Public*
19 *Law 101–510; 10 U.S.C. 2687 note), as added by section*
20 *3001 of the National Defense Authorization Act for Fiscal*
21 *Year 2002 (Public Law 107–107; 115 Stat. 1342), is*
22 *amended—*

23 *(1) by striking subparagraph (A) of paragraph*
24 *(1) and inserting the following:*

1 “(A) A force-structure plan for the Armed
2 Forces that—

3 “(i) at a minimum, assumes the force
4 structure under the 1991 Base Force force
5 structure (as defined in paragraph (5)) that
6 is also known as the ‘Cheney-Powell force
7 structure’; and

8 “(ii) includes such consideration as the
9 Secretary considers appropriate of an as-
10 sessment by the Secretary of—

11 “(I) the probable threats to the
12 national security during the 20-year
13 period beginning with fiscal year 2005;

14 “(II) the probable end-strength
15 levels and major military force units
16 (including land force divisions, carrier
17 and other major combatant vessels, air
18 wings, and other comparable units)
19 needed to meet those threats; and

20 “(III) the anticipated levels of
21 funding that will be available for na-
22 tional defense purposes during such pe-
23 riod.”;

24 (2) in paragraph (2)(A), by inserting before the
25 period at the end the following: “, based upon an as-

1 *sumption that there are no installations available*
2 *outside the United States for the permanent basing of*
3 *elements of the Armed Forces”;*

4 *(3) in paragraph (4), by inserting after the first*
5 *sentence the following new sentence: “Any such revi-*
6 *sion shall be consistent with this subsection.”; and*

7 *(4) by adding at the end the following new para-*
8 *graph:*

9 *“(5) BASE FORCE.—In this subsection, the term*
10 *‘1991 Base Force force structure’ means the force*
11 *structure plan for the Armed Forces, known as the*
12 *‘Base Force’, that was adopted by the Secretary of*
13 *Defense in November 1990 based upon recommenda-*
14 *tions of the Chairman of the Joint Chiefs of Staff and*
15 *as incorporated in the President’s budget for fiscal*
16 *year 1992, as submitted to Congress in February*
17 *1991 and that assumed the following force structure:*

18 *“(A) For the Department of Defense,*
19 *1,600,000 members of the Armed Forces on active*
20 *duty and 900,000 members in an active status*
21 *in the reserve components.*

22 *“(B) For the Army, 12 active divisions, six*
23 *National Guard divisions, and two cadre divi-*
24 *sions or their equivalents.*

1 “(C) For the Navy, 12 aircraft carrier bat-
2 tle groups or their equivalents and 451 naval
3 vessels, including 85 attack submarines.

4 “(D) For the Marine Corps, three active
5 and one Reserve divisions and three active and
6 one Reserve air wings.

7 “(E) For the Air Force, 15 active fighter
8 wings and 11 National Guard fighter wings or
9 their equivalents.”.

10 (b) *PREPARATION OF LIST OF MILITARY INSTALLA-*
11 *TIONS EXCLUDED FROM CONSIDERATION IN 2005*
12 *ROUND.—Section 2913 of the Defense Base Closure and Re-*
13 *alignment Act of 1990 (part A of title XXIX of Public Law*
14 *101–510; 10 U.S.C. 2687 note), as added by section 3002*
15 *of the National Defense Authorization Act for Fiscal Year*
16 *2002 (Public Law 107–107; 115 Stat. 1344), is amended*
17 *by adding at the end the following new subsections:*

18 “(g) *BASE EXCLUSION CRITERIA.—In preparing the*
19 *selection criteria required by this section that will be used*
20 *in making recommendations for the closure or realignment*
21 *of military installations inside the United States, the Sec-*
22 *retary shall ensure that the final criteria reflect the require-*
23 *ment to develop a list of those military installations to be*
24 *excluded from the base closure and realignment process, as*
25 *provided in subsection (h).*

1 “(h) *LIST OF INSTALLATIONS EXCLUDED FROM CON-*
2 *SIDERATION FOR CLOSURE OR REALIGNMENT.*—(1) *Before*
3 *preparing the list required by section 2914(a) of the mili-*
4 *tary installations inside the United States that the Sec-*
5 *retary recommends for closure or realignment, the Secretary*
6 *shall prepare a list of core military installations that the*
7 *Secretary considers absolutely essential to the national de-*
8 *fense and that should not be considered for closure.*

9 “(2) *Not later than April 1, 2005, the Secretary shall*
10 *submit to the congressional defense committees, publish in*
11 *the Federal Register, and send to the Commission the list*
12 *required by paragraph (1). The list shall contain at least*
13 *50 percent of the total number of military installations lo-*
14 *cated inside the United States as of the date of the enact-*
15 *ment of the National Defense Authorization Act for Fiscal*
16 *Year 2004.*

17 “(3) *The Commission shall consider the list based on*
18 *the final criteria developed under subsection (e). The Com-*
19 *mission may modify this list, in the manner provided in*
20 *section 2903(d) and section 2914(d), if the Commission*
21 *finds that the inclusion of a military installation on the*
22 *list substantially violates the criteria. The Commission shall*
23 *forward to the President, not later than April 30, 2005,*
24 *a report containing its recommendations regarding the list,*
25 *which must comply with the percentages specified in para-*

1 *graph (2). The Comptroller General shall also comply with*
2 *section 2903(d)(5) by that date.*

3 “(4) *If the Commission submits a report to the Presi-*
4 *dent under paragraph (3), the President shall notify Con-*
5 *gress, not later than May 10, 2005, regarding whether the*
6 *President approves or disapproves the report. If the Presi-*
7 *dent disapproves the report, the Commission shall be dis-*
8 *solved, and the process by which military installations may*
9 *be selected for closure or realignment under this part in*
10 *2005 shall be terminated.*

11 “(5) *A military installation included on the exclusion*
12 *list approved under this subsection may not be included on*
13 *the closure and realignment list prepared under section*
14 *2914(a) or otherwise considered for closure or realignment*
15 *as part of the base closure process in 2005.”.*

16 **SEC. 2843. USE OF FORCE-STRUCTURE PLAN FOR THE**
17 **ARMED FORCES IN PREPARATION OF SELEC-**
18 **TION CRITERIA FOR BASE CLOSURE ROUND.**

19 *Section 2913(a) of the Defense Base Closure and Re-*
20 *alignment Act of 1990 (part A of title XXIX of Public Law*
21 *101–510; 10 U.S.C. 2687 note), as added by section 3002*
22 *of the National Defense Authorization Act for Fiscal Year*
23 *2002 (Public Law 107–107; 115 Stat. 1344), is amended*
24 *by adding at the end the following new paragraph:*

1 “(3) *USE OF FORCE-STRUCTURE PLAN.*—*In pre-*
 2 *paring the proposed and final criteria to be used by*
 3 *the Secretary in making recommendations under sec-*
 4 *tion 2914 for the closure or realignment of military*
 5 *installations inside the United States, the Secretary*
 6 *shall use the force-structure plan for the Armed Forces*
 7 *prepared under section 2912(a).”*

8 ***SEC. 2844. REQUIREMENT FOR UNANIMOUS VOTE OF DE-***
 9 ***ENSE BASE CLOSURE AND REALIGNMENT***
 10 ***COMMISSION TO RECOMMEND CLOSURE OF***
 11 ***MILITARY INSTALLATION NOT REC-***
 12 ***OMMENDED FOR CLOSURE BY SECRETARY OF***
 13 ***DEFENSE.***

14 *Section 2914(d) of the Defense Base Closure and Re-*
 15 *alignment Act of 1990 (part A of title XXIX of Public Law*
 16 *101–510; 10 U.S.C. 2687 note), as added by section 3003*
 17 *of the Military Construction Authorization Act for Fiscal*
 18 *Year 2002 (division B of Public Law 107–107; 155 Stat,*
 19 *1346) and amended by section 2854 of the Bob Stump Na-*
 20 *tional Defense Authorization Act for Fiscal Year 2003 (Pub-*
 21 *lic Law 107–314; 116 Stat. 2728), is amended—*

22 (1) *in paragraph (3), by striking “TO ADD” and*
 23 *inserting “TO CONSIDER ADDITIONS”; and*

24 (2) *in paragraph (5)—*

1 (A) by inserting “AND UNANIMOUS VOTE”
2 after “SITE VISIT”; and

3 (B) by inserting before the period at the end
4 the following: “and the decision of the Commis-
5 sion to recommend the closure of the installation
6 is unanimous”.

7 ***DIVISION C—DEPARTMENT OF***
8 ***ENERGY NATIONAL SECURITY***
9 ***AUTHORIZATIONS AND***
10 ***OTHER AUTHORIZATIONS***
11 ***TITLE XXXI—DEPARTMENT OF***
12 ***ENERGY NATIONAL SECURITY***
13 ***PROGRAMS***
14 ***Subtitle A—National Security***
15 ***Programs Authorizations***

16 ***SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRA-***
17 ***TION.***

18 (a) *AUTHORIZATION OF APPROPRIATIONS.—Funds are*
19 *hereby authorized to be appropriated to the Department of*
20 *Energy for fiscal year 2004 for the activities of the National*
21 *Nuclear Security Administration in carrying out programs*
22 *necessary for national security in the amount of*
23 *\$8,822,075,000, to be allocated as follows:*

24 (1) *For weapons activities, \$6,393,000,000.*

1 (2) *For defense nuclear nonproliferation activi-*
2 *ties, \$1,312,695,000.*

3 (3) *For naval reactors, \$768,400,000.*

4 (4) *For the Office of the Administrator for Nu-*
5 *clear Security, \$347,980,000.*

6 (b) *AUTHORIZATION OF NEW PLANT PROJECTS.—*
7 *From funds referred to in subsection (a) that are available*
8 *for carrying out plant projects, the Secretary of Energy*
9 *may carry out, for weapons activities, the following new*
10 *plant projects:*

11 *Project 04–D–101, test capabilities revitaliza-*
12 *tion, Sandia National Laboratories, Albuquerque,*
13 *New Mexico, \$36,450,000.*

14 *Project 04–D–102, exterior communications in-*
15 *frastructure modernization, Sandia National Labora-*
16 *tories, Albuquerque, New Mexico, \$20,000,000.*

17 *Project 04–D–103, project engineering and de-*
18 *sign, various locations, \$2,000,000.*

19 *Project 04–D–104, national security sciences*
20 *building, Los Alamos National Laboratory, Los Ala-*
21 *mos, New Mexico, \$38,000,000.*

22 *Project 04–D–125, chemistry and metallurgy fa-*
23 *ility replacement project, Los Alamos National Lab-*
24 *oratory, Los Alamos, New Mexico, \$20,500,000.*

1 *Project 04–D–126, Building 12-44 production*
2 *cells upgrade, Pantex plant, Amarillo, Texas,*
3 *\$8,780,000.*

4 *Project 04–D–127, cleaning and loading modi-*
5 *fications, Savannah River Site, Aiken, South Caro-*
6 *lina, \$2,750,000.*

7 *Project 04–D–128, TA–18 Mission relocation*
8 *project, Los Alamos National Laboratory, Los Ala-*
9 *mos, New Mexico, \$8,820,000.*

10 *Project 04–D–203, facilities and infrastructure*
11 *recapitalization program, project engineering and de-*
12 *sign, various locations, \$3,719,000.*

13 ***SEC. 3102. DEFENSE ENVIRONMENTAL MANAGEMENT.***

14 *(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are*
15 *hereby authorized to be appropriated to the Department of*
16 *Energy for fiscal year 2004 for environmental management*
17 *activities in carrying out programs necessary for national*
18 *security in the amount of \$6,819,314,000, to be allocated*
19 *as follows:*

20 *(1) For defense site acceleration completion,*
21 *\$5,824,135,000.*

22 *(2) For defense environmental services,*
23 *\$995,179,000.*

24 *(b) AUTHORIZATION OF NEW PLANT PROJECTS.—*
25 *From funds referred to in subsection (a) that are available*

1 *for carrying out plant projects, the Secretary of Energy*
2 *may carry out, for defense site acceleration completion, the*
3 *following new plant projects:*

4 *Project 04–D–408, glass waste storage building*
5 *#2, Savannah River Site, Aiken, South Carolina,*
6 *\$20,259,000.*

7 *Project 04–D–414, project engineering and de-*
8 *sign, various locations, \$23,500,000.*

9 *Project 04–D–423, 3013 container surveillance*
10 *capability in 235-F, Savannah River Site, Aiken,*
11 *South Carolina, \$1,134,000.*

12 ***SEC. 3103. OTHER DEFENSE ACTIVITIES.***

13 *Funds are hereby authorized to be appropriated to the*
14 *Department of Energy for fiscal year 2004 for other defense*
15 *activities in carrying out programs necessary for national*
16 *security in the amount of \$497,331,000.*

17 ***SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.***

18 *Funds are hereby authorized to be appropriated to the*
19 *Department of Energy for fiscal year 2004 for defense nu-*
20 *clear waste disposal for payment to the Nuclear Waste Fund*
21 *established in section 302(c) of the Nuclear Waste Policy*
22 *Act of 1982 (42 U.S.C. 10222(c)) in the amount of*
23 *\$430,000,000.*

1 **SEC. 3105. ENERGY SUPPLY.**

2 *Funds are hereby authorized to be appropriated to the*
3 *Department of Energy for fiscal year 2004 for energy sup-*
4 *ply activities in carrying out programs necessary for na-*
5 *tional security in the amount of \$110,473,000.*

6 **Subtitle B—Program Authoriza-**
7 **tions, Restrictions, and Limita-**
8 **tions**

9 **SEC. 3111. MODIFICATION OF PROHIBITION RELATING TO**
10 **LOW-YIELD NUCLEAR WEAPONS.**

11 *Section 3136 of the National Defense Authorization*
12 *Act for Fiscal Year 1994 (42 U.S.C. 2121 note) is amend-*
13 *ed—*

14 *(1) in the section heading, by striking “RE-*
15 *SEARCH AND DEVELOPMENT” and inserting “DE-*
16 *VELOPMENT AND PRODUCTION”;*

17 *(2) in subsection (a), by striking “conduct re-*
18 *search and development which could lead to the pro-*
19 *duction by the United States of” and insert “develop*
20 *or produce”;*

21 *(3) in subsection (b)—*

22 *(A) by striking “conduct, or provide for the*
23 *conduct of, research and development which*
24 *could lead to the production by the United States*
25 *of” and insert “develop, produce, or provide for*
26 *the development or production of,”; and*

1 (B) by striking “the date of the enactment
2 of this Act,” and inserting “November 30,
3 1993,”;

4 (4) in subsection (c)—

5 (A) by striking “RESEARCH AND” in the
6 subsection heading;

7 (B) by striking “research and” in the mat-
8 ter preceding paragraph (1); and

9 (C) by inserting “, including assessment of
10 low-yield nuclear weapons development by other
11 nations that may pose a national security risk
12 to the United States” before the period at the end
13 of paragraph (3);

14 (5) by redesignating subsection (d) as subsection
15 (e); and

16 (6) by inserting after subsection (c) the following
17 new subsection (d):

18 “(d) *EFFECT ON STUDIES AND DESIGN WORK.*—*Noth-*
19 *ing in this section shall prohibit the Secretary of Energy*
20 *from conducting, or providing for the conduct of, concept*
21 *definition studies, feasibility studies, or detailed engineer-*
22 *ing design work.”.*

1 **SEC. 3112. TERMINATION OF REQUIREMENT FOR ANNUAL**
2 **UPDATES OF LONG-TERM PLAN FOR NU-**
3 **CLEAR WEAPONS STOCKPILE LIFE EXTEN-**
4 **SION PROGRAM.**

5 *Section 3133 of the National Defense Authorization*
6 *Act for Fiscal Year 2000 (42 U.S.C. 2121 note) is amended*
7 *by adding at the end the following new subsection:*

8 *“(g) TERMINATION OF ANNUAL UPDATES.—Effective*
9 *December 31, 2004, the requirements of subsections (c), (d),*
10 *(e), and (f) shall terminate.”*

11 **SEC. 3113. EXTENSION TO ALL DOE FACILITIES OF AUTHOR-**
12 **ITY TO PROHIBIT DISSEMINATION OF CER-**
13 **TAIN UNCLASSIFIED INFORMATION.**

14 *Subsection a. of section 148 of the Atomic Energy Act*
15 *of 1954 (42 U.S.C. 2168) is amended in paragraph (1)—*

16 *(1) in the matter preceding subparagraph (A),*
17 *by striking “, with respect to atomic energy defense*
18 *programs,”;*

19 *(2) in subparagraph (A), by striking “produc-*
20 *tion facilities or utilization facilities” and inserting*
21 *“production facilities, utilization facilities, nuclear*
22 *waste storage facilities, or uranium enrichment facili-*
23 *ties, or any other facilities at which activities relating*
24 *to nuclear weapons or nuclear materials are carried*
25 *out, that are under the control or jurisdiction of the*
26 *Secretary of Energy”;* and

1 (3) in subparagraph (B), by striking “produc-
2 tion or utilization facilities” and inserting “such fa-
3 cilities”.

4 **SEC. 3114. DEPARTMENT OF ENERGY PROJECT REVIEW**
5 **GROUPS NOT SUBJECT TO FEDERAL ADVI-**
6 **SORY COMMITTEE ACT BY REASON OF INCLU-**
7 **SION OF EMPLOYEES OF DEPARTMENT OF EN-**
8 **ERGY MANAGEMENT AND OPERATING CON-**
9 **TRACTORS.**

10 *An officer or employee of a management and operating*
11 *contractor of the Department of Energy, when serving as*
12 *a member of a group reviewing or advising on matters re-*
13 *lated to any one or more management and operating con-*
14 *tracts of the Department, shall be treated as an officer or*
15 *employee of the Department for purposes of determining*
16 *whether the group is an advisory committee within the*
17 *meaning of section 3 of the Federal Advisory Committee*
18 *Act (5 U.S.C. App.).*

19 **SEC. 3115. AVAILABILITY OF FUNDS.**

20 *Section 3628 of the Bob Stump National Defense Au-*
21 *thorization Act for Fiscal Year 2003 (Public Law 107–314;*
22 *116 Stat. 2760; 42 U.S.C. 7386h) is amended to read as*
23 *follows:*

1 **“SEC. 3628. AVAILABILITY OF FUNDS.**

2 “(a) *IN GENERAL.*—*Except as provided in subsection*
3 *(b), amounts appropriated pursuant to a DOE national se-*
4 *curity authorization for a fiscal year—*

5 “(1) *shall remain available to be expended only*
6 *in that fiscal year and the two succeeding fiscal*
7 *years, in the case of amounts for the National Nuclear*
8 *Security Administration; and*

9 “(2) *may, when so specified in an appropria-*
10 *tions Act, remain available until expended, in all*
11 *other cases.*

12 “(b) *PROGRAM DIRECTION.*—*Amounts appropriated*
13 *pursuant to a DOE national security authorization for a*
14 *fiscal year for program direction shall remain available to*
15 *be obligated only until the end of that fiscal year.”.*

16 **SEC. 3116. LIMITATION ON OBLIGATION OF FUNDS FOR NU-**
17 **CLEAR TEST READINESS PROGRAM.**

18 *Not more than 40 percent of the funds made available*
19 *to the Secretary of Energy for fiscal year 2004 for the Nu-*
20 *clear Test Readiness program of the Department of Energy*
21 *may be obligated until—*

22 (1) *the Secretary of Energy submits to the Com-*
23 *mittees on Armed Services of the Senate and the*
24 *House of Representatives the report required by sec-*
25 *tion 3142(c) of the Bob Stump National Defense Au-*
26 *thorization Act for Fiscal Year 2003 (Public Law*

1 107–314; 116 Stat. 2733), relating to plans for
2 achieving enhanced readiness postures for resumption
3 by the United States of underground nuclear weapons
4 tests; and

5 (2) a period of 30 days has passed after the date
6 on which such report is received by those committees.

7 **SEC. 3117. REQUIREMENT FOR ON-SITE MANAGERS.**

8 (a) *ON-SITE MANAGER REQUIREMENT.*—Before obli-
9 gating any defense nuclear nonproliferation funds for a
10 project described in subsection (b), the Secretary of Energy
11 shall appoint a United States Federal Government em-
12 ployee as an on-site manager.

13 (b) *PROJECTS COVERED.*—Subsection (a) applies to a
14 project—

15 (1) to be located in a state of the former Soviet
16 Union;

17 (2) which involves dismantlement, destruction, or
18 storage facilities, or construction of a facility; and

19 (3) with respect to which the total contribution
20 by the Department of Energy is expected to exceed
21 \$25,000,000.

22 (c) *DUTIES OF ON-SITE MANAGER.*—The on-site man-
23 ager appointed under subsection (a) shall—

24 (1) develop, in cooperation with representatives
25 from governments of countries participating in the

1 *project, a list of those steps or activities critical to*
2 *achieving the project's disarmament or nonprolifera-*
3 *tion goals;*

4 *(2) establish a schedule for completing those steps*
5 *or activities;*

6 *(3) meet with all participants to seek assurances*
7 *that those steps or activities are being completed on*
8 *schedule; and*

9 *(4) suspend United States participation in a*
10 *project when a non-United States participant fails to*
11 *complete a scheduled step or activity on time, unless*
12 *directed by the Secretary of Energy to resume United*
13 *States participation.*

14 *(d) STEPS OR ACTIVITIES.—Steps or activities referred*
15 *to in subsection (c)(1) are those activities that, if not com-*
16 *pleted, will prevent a project from achieving its disar-*
17 *mament or nonproliferation goals, including, at a min-*
18 *imum, the following:*

19 *(1) Identification and acquisition of permits (as*
20 *defined in subsection (f)).*

21 *(2) Verification that the items, substances, or ca-*
22 *pabilities to be dismantled, secured, or otherwise*
23 *modified are available for dismantlement, securing, or*
24 *modification.*

1 (3) *Timely provision of financial, personnel,*
2 *management, transportation, and other resources.*

3 (e) *NOTIFICATION TO CONGRESS.—In any case in*
4 *which the Secretary of Energy directs an on-site manager*
5 *to resume United States participation in a project under*
6 *subsection (c)(4), the Secretary shall concurrently notify*
7 *Congress of such direction.*

8 (f) *PERMIT DEFINED.—In this section, the term “per-*
9 *mit” means any local or national permit for development,*
10 *general construction, environmental, land use, or other pur-*
11 *poses that is required in the state of the former Soviet*
12 *Union in which the project is being or is proposed to be*
13 *carried out.*

14 (g) *EFFECTIVE DATE.—This section shall take effect*
15 *six months after the date of the enactment of this Act.*

16 ***Subtitle C—Consolidation of***
17 ***National Security Provisions***

18 ***SEC. 3121. TRANSFER AND CONSOLIDATION OF RECURRING***
19 ***AND GENERAL PROVISIONS ON DEPARTMENT***
20 ***OF ENERGY NATIONAL SECURITY PROGRAMS.***

21 (a) *PURPOSE.—*

22 (1) *IN GENERAL.—The purpose of this section is*
23 *to assemble together, without substantive amendment*
24 *but with technical and conforming amendments of a*
25 *non-substantive nature, recurring and general provi-*

1 *sions of law on Department of Energy national secu-*
2 *rity programs that remain in force in order to con-*
3 *solidate and organize such provisions of law into a*
4 *single Act intended to comprise general provisions of*
5 *law on such programs.*

6 (2) *CONSTRUCTION OF TRANSFERS.—The trans-*
7 *fer of a provision of law by this section shall not be*
8 *construed as amending, altering, or otherwise modi-*
9 *fying the substantive effect of such provision.*

10 (3) *COORDINATION WITH OTHER AMEND-*
11 *MENTS.—For purposes of applying amendments made*
12 *by provisions of this Act other than provisions of this*
13 *section, this section shall be treated as having been*
14 *enacted immediately after the other provisions of this*
15 *Act.*

16 (4) *TREATMENT OF SATISFIED REQUIRE-*
17 *MENTS.—Any requirement in a provision of law*
18 *transferred under this section (including a require-*
19 *ment that an amendment to law be executed) that has*
20 *been fully satisfied in accordance with the terms of*
21 *such provision of law as of the date of transfer under*
22 *this section shall be treated as so fully satisfied, and*
23 *shall not be treated as being revived solely by reason*
24 *of transfer under this section.*

1 (5) *CLASSIFICATION.*—*The provisions of the*
2 *Atomic Energy Defense Act, as amended by this sec-*
3 *tion, shall be classified to the United States Code as*
4 *a new chapter of title 50, United States Code.*

5 (b) *DIVISION HEADING.*—*The Bob Stump National*
6 *Defense Authorization Act for Fiscal Year 2003 (Public*
7 *Law 107–314) is amended by adding at the end the fol-*
8 *lowing new division heading:*

9 ***“DIVISION D—ATOMIC ENERGY***
10 ***DEFENSE PROVISIONS”.***

11 (c) *SHORT TITLE; DEFINITION.*—

12 (1) *SHORT TITLE.*—*Section 3601 of the Atomic*
13 *Energy Defense Act (title XXXVI of Public Law 107–*
14 *314; 116 Stat. 2756) is—*

15 (A) *transferred to the end of the Bob Stump*
16 *National Defense Authorization Act for Fiscal*
17 *Year 2003;*

18 (B) *redesignated as section 4001;*

19 (C) *inserted after the heading for division D*
20 *of the Bob Stump National Defense Authoriza-*
21 *tion Act for Fiscal Year 2003, as added by sub-*
22 *section (b); and*

23 (D) *amended by striking “title” and insert-*
24 *ing “division”.*

1 (2) *DEFINITION.*—*Division D of the Bob Stump*
2 *National Defense Authorization Act for Fiscal Year*
3 *2003, as amended by this section, is further amended*
4 *by adding at the end the following new section:*

5 ***“SEC. 4002. DEFINITION.***

6 *“In this division, the term ‘congressional defense com-*
7 *mittees’ means—*

8 *“(1) the Committee on Armed Services and the*
9 *Committee on Appropriations of the Senate; and*

10 *“(2) the Committee on Armed Services and the*
11 *Committee on Appropriations of the House of Rep-*
12 *resentatives.”.*

13 ***(d) ORGANIZATIONAL MATTERS.***—

14 (1) *TITLE HEADING.*—*Division D of the Bob*
15 *Stump National Defense Authorization Act for Fiscal*
16 *Year 2003, as amended by this section, is further*
17 *amended by adding at the end the following:*

18 ***“TITLE XLI—ORGANIZATIONAL***
19 ***MATTERS”.***

20 (2) *NAVAL NUCLEAR PROPULSION PROGRAM.*—
21 *Section 1634 of the Department of Defense Authoriza-*
22 *tion Act, 1985 (Public Law 98–525; 98 Stat. 2649)*
23 *is—*

24 *(A) transferred to title XLI of division D of*
25 *the Bob Stump National Defense Authorization*

1 *Act for Fiscal Year 2003, as added by paragraph*
2 *(1);*

3 *(B) inserted after the title heading for such*
4 *title, as so added; and*

5 *(C) amended—*

6 *(i) by striking the section heading and*
7 *inserting the following new section heading:*

8 ***“SEC. 4101. NAVAL NUCLEAR PROPULSION PROGRAM.”; and***

9 *(ii) by striking “SEC. 1634.”.*

10 (3) *MANAGEMENT STRUCTURE FOR FACILITIES*
11 *AND LABORATORIES.—Section 3140 of the National*
12 *Defense Authorization Act for Fiscal Year 1997 (Pub-*
13 *lic Law 104–201; 110 Stat. 2833) is—*

14 *(A) transferred to title XLI of division D of*
15 *the Bob Stump National Defense Authorization*
16 *Act for Fiscal Year 2003, as amended by this*
17 *subsection;*

18 *(B) redesignated as section 4102;*

19 *(C) inserted after section 4101, as added by*
20 *paragraph (2); and*

21 *(D) amended in subsection (d)(2), by strik-*
22 *ing “120 days after the date of the enactment of*
23 *this Act,” and inserting “January 21, 1997.”.*

24 (4) *RESTRICTION ON LICENSING REQUIREMENTS*
25 *FOR CERTAIN ACTIVITIES AND FACILITIES.—Section*

1 210 of the Department of Energy National Security
2 and Military Applications of Nuclear Energy Author-
3 ization Act of 1981 (Public Law 96–540; 94 Stat.
4 3202) is—

5 (A) transferred to title XLI of division D of
6 the Bob Stump National Defense Authorization
7 Act for Fiscal Year 2003, as amended by this
8 subsection;

9 (B) inserted after section 4102, as added by
10 paragraph (3); and

11 (C) amended—

12 (i) by striking the section heading and
13 inserting the following new section heading:

14 **“SEC. 4103. RESTRICTION ON LICENSING REQUIREMENT**
15 **FOR CERTAIN DEFENSE ACTIVITIES AND FA-**
16 **CILITIES.”;**

17 (ii) by striking “SEC. 210.”; and

18 (iii) by striking “this or any other
19 Act” and inserting “the Department of En-
20 ergy National Security and Military Appli-
21 cations of Nuclear Energy Authorization
22 Act of 1981 (Public Law 96–540) or any
23 other Act”.

24 (e) **NUCLEAR WEAPONS STOCKPILE MATTERS.**—

1 (1) *HEADINGS.—Division D of the Bob Stump*
2 *National Defense Authorization Act for Fiscal Year*
3 *2003, as amended by this section, is further amended*
4 *by adding at the end the following new headings:*

5 **“TITLE XLII—NUCLEAR**
6 **WEAPONS STOCKPILE MATTERS**
7 **“Subtitle A—Stockpile Stewardship**
8 **and Weapons Production”.**

9 (2) *STOCKPILE STEWARDSHIP PROGRAM.—Sec-*
10 *tion 3138 of the National Defense Authorization Act*
11 *for Fiscal Year 1994 (Public Law 103–160; 107 Stat.*
12 *1946), as amended by section 3152(e) of the National*
13 *Defense Authorization Act for Fiscal Year 1998 (Pub-*
14 *lic Law 105–85; 111 Stat. 2042), is—*

15 (A) *transferred to title XLII of division D*
16 *of the Bob Stump National Defense Authoriza-*
17 *tion Act for Fiscal Year 2003, as added by para-*
18 *graph (1);*

19 (B) *redesignated as section 4201; and*

20 (C) *inserted after the heading for subtitle A*
21 *of such title, as so added.*

22 (3) *STOCKPILE STEWARDSHIP CRITERIA.—Sec-*
23 *tion 3158 of the Strom Thurmond National Defense*
24 *Authorization Act for Fiscal Year 1999 (Public Law*
25 *105–261; 112 Stat. 2257), as amended, is—*

1 (A) transferred to title XLII of division D
2 of the Bob Stump National Defense Authoriza-
3 tion Act for Fiscal Year 2003, as amended by
4 this subsection;

5 (B) redesignated as section 4202; and

6 (C) inserted after section 4201, as added by
7 paragraph (2).

8 (4) *PLAN FOR STEWARDSHIP, MANAGEMENT, AND*
9 *CERTIFICATION OF WARHEADS IN STOCKPILE.*—Sec-
10 *tion 3151 of the National Defense Authorization Act*
11 *for Fiscal Year 1998 (Public Law 105–85; 111 Stat.*
12 *2041) is—*

13 (A) transferred to title XLII of division D
14 of the Bob Stump National Defense Authoriza-
15 tion Act for Fiscal Year 2003, as amended by
16 this subsection;

17 (B) redesignated as section 4203; and

18 (C) inserted after section 4202, as added by
19 paragraph (3).

20 (5) *STOCKPILE LIFE EXTENSION PROGRAM.*—
21 *Section 3133 of the National Defense Authorization*
22 *Act for Fiscal Year 2000 (Public Law 106–65; 113*
23 *Stat. 926) is—*

24 (A) transferred to title XLII of division D
25 of the Bob Stump National Defense Authoriza-

1 *tion Act for Fiscal Year 2003, as amended by*
2 *this subsection;*

3 *(B) redesignated as section 4204;*

4 *(C) inserted after section 4203, as added by*
5 *paragraph (4); and*

6 *(D) amended in subsection (c)(1) by strik-*
7 *ing “the date of the enactment of this Act” and*
8 *inserting “October 5, 1999”.*

9 *(6) ANNUAL ASSESSMENTS AND REPORTS ON*
10 *CONDITION OF STOCKPILE.—Section 3141 of the Bob*
11 *Stump National Defense Authorization Act for Fiscal*
12 *Year 2003 (Public Law 107–314; 116 Stat. 2730)*
13 *is—*

14 *(A) transferred to title XLII of division D*
15 *of such Act, as amended by this subsection;*

16 *(B) redesignated as section 4205;*

17 *(C) inserted after section 4204, as added by*
18 *paragraph (5); and*

19 *(D) amended in subsection (d)(3)(B) by*
20 *striking “section 3137 of the National Defense*
21 *Authorization Act for Fiscal Year 1996 (42*
22 *U.S.C. 2121 note)” and inserting “section 4212”.*

23 *(7) FORM OF CERTAIN CERTIFICATIONS REGARD-*
24 *ING STOCKPILE.—Section 3194 of the Floyd D.*
25 *Spence National Defense Authorization Act for Fiscal*

1 Year 2001 (as enacted into law by Public Law 106–
2 398; 114 Stat. 1654A–481) is—

3 (A) transferred to title XLII of division D
4 of the Bob Stump National Defense Authoriza-
5 tion Act for Fiscal Year 2003, as amended by
6 this subsection;

7 (B) redesignated as section 4206; and

8 (C) inserted after section 4205, as added by
9 paragraph (6).

10 (8) *NUCLEAR TEST BAN READINESS PROGRAM.*—
11 Section 1436 of the National Defense Authorization
12 Act, Fiscal Year 1989 (Public Law 100–456; 102
13 Stat. 2075) is—

14 (A) transferred to title XLII of division D
15 of the Bob Stump National Defense Authoriza-
16 tion Act for Fiscal Year 2003, as amended by
17 this subsection;

18 (B) redesignated as section 4207;

19 (C) inserted after section 4206, as added by
20 paragraph (7); and

21 (D) amended in the section heading by add-
22 ing a period at the end.

23 (9) *STUDY ON NUCLEAR TEST READINESS POS-*
24 *TURES.*—Section 3152 of the National Defense Au-
25 thorization Act for Fiscal Year 1996 (Public Law

1 104–106; 110 Stat. 623), as amended by section 3192
2 of the Floyd D. Spence National Defense Authoriza-
3 tion Act for Fiscal Year 2001 (as enacted into law by
4 Public Law 106–398; 114 Stat. 1654A–480), is—

5 (A) transferred to title XLII of division D
6 of the Bob Stump National Defense Authoriza-
7 tion Act for Fiscal Year 2003, as amended by
8 this subsection;

9 (B) redesignated as section 4208; and

10 (C) inserted after section 4207, as added by
11 paragraph (8).

12 (10) *REQUIREMENTS FOR REQUESTS FOR NEW*
13 *OR MODIFIED NUCLEAR WEAPONS.*—Section 3143 of
14 the Bob Stump National Defense Authorization Act
15 for Fiscal Year 2003 (Public Law 107–314; 116 Stat.
16 2733) is—

17 (A) transferred to title XLII of division D
18 of such Act, as amended by this subsection;

19 (B) redesignated as section 4209; and

20 (C) inserted after section 4208, as added by
21 paragraph (9).

22 (11) *LIMITATION ON UNDERGROUND NUCLEAR*
23 *WEAPONS TESTS.*—Subsection (f) of section 507 of the
24 Energy and Water Development Appropriations Act,
25 1993 (Public Law 102–337; 106 Stat. 1345) is—

1 (A) transferred to title XLII of division D
2 of the Bob Stump National Defense Authoriza-
3 tion Act for Fiscal Year 2003, as amended by
4 this subsection;

5 (B) inserted after section 4209, as added by
6 paragraph (10); and

7 (C) amended—

8 (i) by inserting before the text the fol-
9 lowing new section heading:

10 **“SEC. 4210. LIMITATION ON UNDERGROUND NUCLEAR**
11 **WEAPONS TESTS.”**; and

12 (ii) by striking “(f)”.

13 (12) *TESTING OF NUCLEAR WEAPONS.*—Section
14 3137 of the National Defense Authorization Act for
15 Fiscal Year 1994 (Public Law 103–160; 107 Stat.
16 1946) is—

17 (A) transferred to title XLII of division D
18 of the Bob Stump National Defense Authoriza-
19 tion Act for Fiscal Year 2003, as amended by
20 this subsection;

21 (B) redesignated as section 4211;

22 (C) inserted after section 4210, as added by
23 paragraph (11); and

24 (D) amended—

1 (i) in subsection (a), by inserting “of
2 the National Defense Authorization Act for
3 Fiscal Year 1994 (Public Law 103–160)”
4 after “section 3101(a)(2)”; and

5 (ii) in subsection (b), by striking “this
6 Act” and inserting “the National Defense
7 Authorization Act for Fiscal Year 1994”.

8 (13) *MANUFACTURING INFRASTRUCTURE FOR*
9 *STOCKPILE*.—Section 3137 of the National Defense
10 Authorization Act for Fiscal Year 1996 (Public Law
11 104–106; 110 Stat. 620), as amended by section 3132
12 of the National Defense Authorization Act for Fiscal
13 Year 1997 (Public Law 104–201; 110 Stat. 2829),
14 is—

15 (A) transferred to title XLII of division D
16 of the Bob Stump National Defense Authoriza-
17 tion Act for Fiscal Year 2003, as amended by
18 this subsection;

19 (B) redesignated as section 4212;

20 (C) inserted after section 4211, as added by
21 paragraph (12); and

22 (D) amended in subsection (d) by inserting
23 “of the National Defense Authorization Act for
24 Fiscal Year 1996 (Public Law 104–106)” after
25 “section 3101(b)”.

1 (14) *REPORTS ON CRITICAL DIFFICULTIES AT*
2 *LABORATORIES AND PLANTS.*—Section 3159 of the
3 *National Defense Authorization Act for Fiscal Year*
4 *1997 (Public Law 104–201; 110 Stat. 2842), as*
5 *amended by section 1305 of the National Defense Au-*
6 *thorization Act for Fiscal Year 1998 (Public Law*
7 *105–85; 111 Stat. 1954) and section 3163 of the Na-*
8 *tional Defense Authorization Act for Fiscal Year 2000*
9 *(Public Law 106–65; 113 Stat. 944), is—*

10 (A) *transferred to title XLII of division D*
11 *of the Bob Stump National Defense Authoriza-*
12 *tion Act for Fiscal Year 2003, as amended by*
13 *this subsection;*

14 (B) *redesignated as section 4213; and*

15 (C) *inserted after section 4212, as added by*
16 *paragraph (13).*

17 (15) *SUBTITLE HEADING ON TRITIUM.*—Title
18 *XLII of division D of the Bob Stump National De-*
19 *fense Authorization Act for Fiscal Year 2003, as*
20 *amended by this subsection, is further amended by*
21 *adding at the end the following new subtitle heading:*

22 **“Subtitle B—Tritium”.**

23 (16) *TRITIUM PRODUCTION PROGRAM.*—Section
24 *3133 of the National Defense Authorization Act for*

1 *Fiscal Year 1996 (Public Law 104–106; 110 Stat.*
2 *618) is—*

3 *(A) transferred to title XLII of division D*
4 *of the Bob Stump National Defense Authoriza-*
5 *tion Act for Fiscal Year 2003, as amended by*
6 *this subsection;*

7 *(B) redesignated as section 4231;*

8 *(C) inserted after the heading for subtitle B*
9 *of such title XLII, as added by paragraph (15);*
10 *and*

11 *(D) amended—*

12 *(i) by striking “the date of the enact-*
13 *ment of this Act” each place it appears and*
14 *inserting “February 10, 1996”; and*

15 *(ii) in subsection (b), by inserting “of*
16 *the National Defense Authorization Act for*
17 *Fiscal Year 1996 (Public Law 104–106)”*
18 *after “section 3101”.*

19 *(17) TRITIUM RECYCLING.—Section 3136 of the*
20 *National Defense Authorization Act for Fiscal Year*
21 *1996 (Public Law 104–106; 110 Stat. 620) is—*

22 *(A) transferred to title XLII of division D*
23 *of the Bob Stump National Defense Authoriza-*
24 *tion Act for Fiscal Year 2003, as amended by*
25 *this subsection;*

1 (B) redesignated as section 4232; and

2 (C) inserted after section 4231, as added by
3 paragraph (16).

4 (18) *TRITIUM PRODUCTION*.—Subsections (c)
5 and (d) of section 3133 of the National Defense Au-
6 thorization Act for Fiscal Year 1997 (Public Law
7 104–201; 110 Stat. 2830) are—

8 (A) transferred to title XLII of division D
9 of the Bob Stump National Defense Authoriza-
10 tion Act for Fiscal Year 2003, as amended by
11 this subsection;

12 (B) inserted after section 4232, as added by
13 paragraph (17); and

14 (C) amended—

15 (i) by inserting before the text the fol-
16 lowing new section heading:

17 **“SEC. 4233. TRITIUM PRODUCTION.”;**

18 (ii) by redesignating such subsections
19 as subsections (a) and (b), respectively; and

20 (iii) in subsection (a), as so redesign-
21 ated, by inserting “of Energy” after “The
22 Secretary”.

23 (19) *MODERNIZATION AND CONSOLIDATION OF*
24 *TRITIUM RECYCLING FACILITIES*.—Section 3134 of the

1 *National Defense Authorization Act for Fiscal Year*
2 *1997 (Public Law 104–201; 110 Stat. 2830) is—*

3 *(A) transferred to title XLII of division D*
4 *of the Bob Stump National Defense Authoriza-*
5 *tion Act for Fiscal Year 2003, as amended by*
6 *this subsection;*

7 *(B) redesignated as section 4234;*

8 *(C) inserted after section 4233, as added by*
9 *paragraph (18); and*

10 *(D) amended in subsection (b) by inserting*
11 *“of the National Defense Authorization Act for*
12 *Fiscal Year 1997 (Public Law 104–201)” after*
13 *“section 3101”.*

14 *(20) PROCEDURES FOR MEETING TRITIUM PRO-*
15 *DUCTION REQUIREMENTS.—Section 3134 of the Na-*
16 *tional Defense Authorization Act for Fiscal Year 2000*
17 *(Public Law 106–65; 113 Stat. 927) is—*

18 *(A) transferred to title XLII of division D*
19 *of the Bob Stump National Defense Authoriza-*
20 *tion Act for Fiscal Year 2003, as amended by*
21 *this subsection;*

22 *(B) redesignated as section 4235; and*

23 *(C) inserted after section 4234, as added by*
24 *paragraph (19).*

25 *(f) PROLIFERATION MATTERS.—*

1 (1) *TITLE HEADING.—Division D of the Bob*
2 *Stump National Defense Authorization Act for Fiscal*
3 *Year 2003, as amended by this section, is further*
4 *amended by adding at the end the following new title*
5 *heading:*

6 **“TITLE XLIII—PROLIFERATION**
7 **MATTERS”.**

8 (2) *INTERNATIONAL COOPERATIVE STOCKPILE*
9 *STEWARDSHIP.—Section 3133 of the National Defense*
10 *Authorization Act for Fiscal Year 1998 (Public Law*
11 *105–85; 111 Stat. 2036), as amended by sections 1069*
12 *and 3131 of the Strom Thurmond National Defense*
13 *Authorization Act for Fiscal Year 1999 (Public Law*
14 *105–261; 112 Stat. 2136, 2246), is—*

15 (A) *transferred to title XLIII of division D*
16 *of the Bob Stump National Defense Authoriza-*
17 *tion Act for Fiscal Year 2003, as added by para-*
18 *graph (1);*

19 (B) *redesignated as section 4301;*

20 (C) *inserted after the heading for such title,*
21 *as so added; and*

22 (D) *amended in subsection (b)(3) by strik-*
23 *ing “of this Act” and inserting “of the National*
24 *Defense Authorization Act for Fiscal Year 1998*
25 *(Public Law 105–85)”.*

1 (3) *NONPROLIFERATION INITIATIVES AND ACTIVI-*
2 *TIES.—Section 3136 of the National Defense Author-*
3 *ization Act for Fiscal Year 2000 (Public Law 106-*
4 *65; 113 Stat. 927) is—*

5 *(A) transferred to title XLIII of division D*
6 *of the Bob Stump National Defense Authoriza-*
7 *tion Act for Fiscal Year 2003, as amended by*
8 *this subsection;*

9 *(B) redesignated as section 4302;*

10 *(C) inserted after section 4301, as added by*
11 *paragraph (2); and*

12 *(D) amended in subsection (b)(1) by strik-*
13 *ing “this title” and inserting “title XXXI of the*
14 *National Defense Authorization Act for Fiscal*
15 *Year 2000 (Public Law 106–65)”.*

16 (4) *ANNUAL REPORT ON MATERIALS PROTEC-*
17 *TION, CONTROL, AND ACCOUNTING PROGRAM.—Section*
18 *3171 of the Floyd D. Spence National Defense Au-*
19 *thorization Act for Fiscal Year 2001 (as enacted into*
20 *law by Public Law 106–398; 114 Stat. 1645A–475)*
21 *is—*

22 *(A) transferred to title XLIII of division D*
23 *of the Bob Stump National Defense Authoriza-*
24 *tion Act for Fiscal Year 2003, as amended by*
25 *this subsection;*

1 (B) redesignated as section 4303;

2 (C) inserted after section 4302, as added by
3 paragraph (3); and

4 (D) amended in subsection (c)(1) by strik-
5 ing “this Act” and inserting “the Floyd D.
6 Spence National Defense Authorization Act for
7 Fiscal Year 2001 (as enacted into law by Public
8 Law 106–398)”.

9 (5) *NUCLEAR CITIES INITIATIVE*.—Section 3172
10 of the *Floyd D. Spence National Defense Authoriza-*
11 *tion Act for Fiscal Year 2001 (as enacted into law by*
12 *Public Law 106–398; 114 Stat. 1645A–476) is—*

13 (A) transferred to title XLIII of division D
14 of the *Bob Stump National Defense Authoriza-*
15 *tion Act for Fiscal Year 2003, as amended by*
16 *this subsection;*

17 (B) redesignated as section 4304; and

18 (C) inserted after section 4303, as added by
19 paragraph (4).

20 (6) *PROGRAMS ON FISSILE MATERIALS*.—Section
21 *3131 of the National Defense Authorization Act for*
22 *Fiscal Year 1996 (Public Law 104–106; 110 Stat.*
23 *617), as amended by section 3152 of the Bob Stump*
24 *National Defense Authorization Act for Fiscal Year*
25 *2003 (Public Law 107–314; 116 Stat. 2738), is—*

1 (A) transferred to title XLIII of division D
2 of the Bob Stump National Defense Authoriza-
3 tion Act for Fiscal Year 2003, as amended by
4 this subsection;

5 (B) redesignated as section 4305; and

6 (C) inserted after section 4304, as added by
7 paragraph (5).

8 (g) ENVIRONMENTAL RESTORATION AND WASTE MAN-
9 AGEMENT MATTERS.—

10 (1) HEADINGS.—Division D of the Bob Stump
11 National Defense Authorization Act for Fiscal Year
12 2003, as amended by this section, is further amended
13 by adding at the end the following new headings:

14 **“TITLE XLIV—ENVIRONMENTAL**
15 **RESTORATION AND WASTE**
16 **MANAGEMENT MATTERS**

17 **“Subtitle A—Environmental Res-**
18 **toration and Waste Manage-**
19 **ment”.**

20 (2) DEFENSE ENVIRONMENTAL RESTORATION
21 AND WASTE MANAGEMENT ACCOUNT.—Section 3134 of
22 the National Defense Authorization Act for Fiscal
23 Years 1992 and 1993 (Public Law 102–190; 105 Stat.
24 1575) is—

1 (A) transferred to title XLIV of division D
2 of the Bob Stump National Defense Authoriza-
3 tion Act for Fiscal Year 2003, as added by para-
4 graph (1);

5 (B) redesignated as section 4401; and

6 (C) inserted after the heading for subtitle A
7 of such title, as so added.

8 (3) *FUTURE USE PLANS FOR ENVIRONMENTAL*
9 *MANAGEMENT PROGRAM.*—Section 3153 of the Na-
10 tional Defense Authorization Act for Fiscal Year 1997
11 (*Public Law 104–201; 110 Stat. 2839*) is—

12 (A) transferred to title XLIV of division D
13 of the Bob Stump National Defense Authoriza-
14 tion Act for Fiscal Year 2003, as amended by
15 this subsection;

16 (B) redesignated as section 4402;

17 (C) inserted after section 4401, as added by
18 paragraph (2); and

19 (D) amended—

20 (i) in subsection (d), by striking “the
21 date of the enactment of this Act” and in-
22 serting “September 23, 1996,”; and

23 (ii) in subsection (h)(1), by striking
24 “the date of the enactment of this Act” and
25 inserting “September 23, 1996”.

1 (4) *INTEGRATED FISSILE MATERIALS MANAGE-*
2 *MENT PLAN.*—Section 3172 of the National Defense
3 *Authorization Act for Fiscal Year 2000 (Public Law*
4 *106–65; 113 Stat. 948) is—*

5 (A) *transferred to title XLIV of division D*
6 *of the Bob Stump National Defense Authoriza-*
7 *tion Act for Fiscal Year 2003, as amended by*
8 *this subsection;*

9 (B) *redesignated as section 4403; and*

10 (C) *inserted after section 4402, as added by*
11 *paragraph (3).*

12 (5) *BASELINE ENVIRONMENTAL MANAGEMENT*
13 *REPORTS.*—Section 3153 of the National Defense Au-
14 *thorization Act for Fiscal Year 1994 (Public Law*
15 *103–160; 107 Stat. 1950), as amended by section*
16 *3160 of the National Defense Authorization Act for*
17 *Fiscal Year 1995 (Public Law 103–337; 108 Stat.*
18 *3094), section 3152 of the National Defense Author-*
19 *ization Act for Fiscal Year 1997 (Public Law 104–*
20 *201; 110 Stat. 2839), and section 3160 of the Na-*
21 *tional Defense Authorization Act for Fiscal Year 1998*
22 *(Public Law 105–85; 111 Stat. 2048), is—*

23 (A) *transferred to title XLIV of division D*
24 *of the Bob Stump National Defense Authoriza-*

1 *tion Act for Fiscal Year 2003, as amended by*
2 *this subsection;*

3 *(B) redesignated as section 4404; and*

4 *(C) inserted after section 4403, as added by*
5 *paragraph (4).*

6 (6) *ACCELERATED SCHEDULE OF ENVIRON-*
7 *MENTAL RESTORATION AND WASTE MANAGEMENT.—*
8 *Section 3156 of the National Defense Authorization*
9 *Act for Fiscal Year 1996 (Public Law 104–106; 110*
10 *Stat. 625) is—*

11 *(A) transferred to title XLIV of division D*
12 *of the Bob Stump National Defense Authoriza-*
13 *tion Act for Fiscal Year 2003, as amended by*
14 *this subsection;*

15 *(B) redesignated as section 4405;*

16 *(C) inserted after section 4404, as added by*
17 *paragraph (5); and*

18 *(D) amended in subsection (b)(2) by insert-*
19 *ing before the period the following: “, the prede-*
20 *cessor provision to section 4404 of this Act”.*

21 (7) *DEFENSE WASTE CLEANUP TECHNOLOGY*
22 *PROGRAM.—Section 3141 of the National Defense Au-*
23 *thorization Act for Fiscal Years 1990 and 1991 (Pub-*
24 *lic Law 101–189; 103 Stat. 1679) is—*

1 (A) transferred to title XLIV of division D
2 of the Bob Stump National Defense Authoriza-
3 tion Act for Fiscal Year 2003, as amended by
4 this subsection;

5 (B) redesignated as section 4406;

6 (C) inserted after section 4405, as added by
7 paragraph (6); and

8 (D) amended in the section heading by add-
9 ing a period at the end.

10 (8) *REPORT ON ENVIRONMENTAL RESTORATION*
11 *EXPENDITURES.*—Section 3134 of the National De-
12 fense Authorization Act for Fiscal Year 1991 (Public
13 Law 101–510; 104 Stat. 1833) is—

14 (A) transferred to title XLIV of division D
15 of the Bob Stump National Defense Authoriza-
16 tion Act for Fiscal Year 2003, as amended by
17 this subsection;

18 (B) redesignated as section 4407;

19 (C) inserted after section 4406, as added by
20 paragraph (7); and

21 (D) amended in the section heading by add-
22 ing a period at the end.

23 (9) *PUBLIC PARTICIPATION IN PLANNING FOR*
24 *ENVIRONMENTAL RESTORATION AND WASTE MANAGE-*
25 *MENT.*—Subsection (e) of section 3160 of the National

1 *Defense Authorization Act for Fiscal Year 1995 (Pub-*
2 *lic Law 103–337; 108 Stat. 3095) is—*

3 *(A) transferred to title XLIV of division D*
4 *of the Bob Stump National Defense Authoriza-*
5 *tion Act for Fiscal Year 2003, as amended by*
6 *this subsection;*

7 *(B) inserted after section 4407, as added by*
8 *paragraph (8); and*

9 *(C) amended—*

10 *(i) by inserting before the text the fol-*
11 *lowing new section heading:*

12 ***“SEC. 4408. PUBLIC PARTICIPATION IN PLANNING FOR EN-***
13 ***VIRONMENTAL RESTORATION AND WASTE***
14 ***MANAGEMENT AT DEFENSE NUCLEAR FACILI-***
15 ***TIES.”; and***

16 *(ii) by striking “(e) PUBLIC PARTICI-*
17 *PATION IN PLANNING.—”.*

18 *(10) SUBTITLE HEADING ON CLOSURE OF FA-*
19 *CILITIES.—Title XLIV of division D of the Bob*
20 *Stump National Defense Authorization Act for Fiscal*
21 *Year 2003, as amended by this subsection, is further*
22 *amended by adding at the end the following new sub-*
23 *title heading:*

1 **“Subtitle B—Closure of Facilities”.**

2 (11) *PROJECTS TO ACCELERATE CLOSURE AC-*
3 *TIVITIES AT DEFENSE NUCLEAR FACILITIES.*—Section
4 *3143 of the National Defense Authorization Act for*
5 *Fiscal Year 1997 (Public Law 104–201; 110 Stat.*
6 *2836) is—*

7 (A) *transferred to title XLIV of division D*
8 *of the Bob Stump National Defense Authoriza-*
9 *tion Act for Fiscal Year 2003, as amended by*
10 *this subsection;*

11 (B) *redesignated as section 4421;*

12 (C) *inserted after the heading for subtitle B*
13 *of such title, as added by paragraph (10); and*

14 (D) *amended in subsection (i), by striking*
15 *“the expiration of the 15-year period beginning*
16 *on the date of the enactment of this Act” and in-*
17 *serting “September 23, 2011”.*

18 (12) *REPORTS IN CONNECTION WITH PERMANENT*
19 *CLOSURE OF DEFENSE NUCLEAR FACILITIES.*—Sec-
20 *tion 3156 of the National Defense Authorization Act*
21 *for Fiscal Years 1990 and 1991 (Public Law 101–*
22 *189; 103 Stat. 1683) is—*

23 (A) *transferred to title XLIV of division D*
24 *of the Bob Stump National Defense Authoriza-*

1 *tion Act for Fiscal Year 2003, as amended by*
2 *this subsection;*

3 *(B) redesignated as section 4422;*

4 *(C) inserted after section 4421, as added by*
5 *paragraph (11); and*

6 *(D) amended in the section heading by add-*
7 *ing a period at the end.*

8 *(13) SUBTITLE HEADING ON PRIVATIZATION.—*
9 *Title XLIV of division D of the Bob Stump National*
10 *Defense Authorization Act for Fiscal Year 2003, as*
11 *amended by this subsection, is further amended by*
12 *adding at the end the following new subtitle heading:*

13 ***“Subtitle C—Privatization”.***

14 *(14) DEFENSE ENVIRONMENTAL MANAGEMENT*
15 *PRIVATIZATION PROJECTS.—Section 3132 of the Na-*
16 *tional Defense Authorization Act for Fiscal Year 1998*
17 *(Public Law 105–85; 111 Stat. 2034) is—*

18 *(A) transferred to title XLIV of division D*
19 *of the Bob Stump National Defense Authoriza-*
20 *tion Act for Fiscal Year 2003, as amended by*
21 *this subsection;*

22 *(B) redesignated as section 4431;*

23 *(C) inserted after the heading for subtitle C*
24 *of such title, as added by paragraph (13); and*

25 *(D) amended—*

1 (i) in subsections (a), (c)(1)(B)(i), and
 2 (d), by inserting “of the National Defense
 3 Authorization Act for Fiscal Year 1998
 4 (Public Law 105–85)” after “section
 5 3102(i)”; and

6 (ii) in subsections (c)(1)(B)(ii) and (f),
 7 by striking “the date of enactment of this
 8 Act” and inserting “November 18, 1997”.

9 (h) SAFEGUARDS AND SECURITY MATTERS.—

10 (1) HEADINGS.—Division D of the Bob Stump
 11 National Defense Authorization Act for Fiscal Year
 12 2003, as amended by this section, is further amended
 13 by adding at the end the following new headings:

14 **“TITLE XLV—SAFEGUARDS AND**
 15 **SECURITY MATTERS**
 16 **“Subtitle A—Safeguards and**
 17 **Security”.**

18 (2) PROHIBITION ON INTERNATIONAL INSPEC-
 19 TIONS OF FACILITIES WITHOUT PROTECTION OF RE-
 20 STRICTED DATA.—Section 3154 of the National De-
 21 fense Authorization Act for Fiscal Year 1996 (Public
 22 Law 104–106; 110 Stat. 624) is—

23 (A) transferred to title XLV of division D of
 24 the Bob Stump National Defense Authorization

1 *Act for Fiscal Year 2003, as added by paragraph*
2 *(1);*

3 *(B) redesignated as section 4501;*

4 *(C) inserted after the heading for subtitle A*
5 *of such title, as so added; and*

6 *(D) amended—*

7 *(i) by striking “(1) The” and inserting*
8 *“The”; and*

9 *(ii) by striking “(2) For purposes of*
10 *paragraph (1),” and inserting “(c) RE-*
11 *STRICTED DATA DEFINED.—In this sec-*
12 *tion,”.*

13 (3) *RESTRICTIONS ON ACCESS TO LABORATORIES*
14 *BY FOREIGN VISITORS FROM SENSITIVE COUNTRIES.—*
15 *Section 3146 of the National Defense Authorization*
16 *Act for Fiscal Year 2000 (Public Law 106–65; 113*
17 *Stat. 935) is—*

18 *(A) transferred to title XLV of division D of*
19 *the Bob Stump National Defense Authorization*
20 *Act for Fiscal Year 2003, as amended by this*
21 *subsection;*

22 *(B) redesignated as section 4502;*

23 *(C) inserted after section 4501, as added by*
24 *paragraph (2); and*

25 *(D) amended—*

1 (i) in subsection (b)(2)—

2 (I) in the matter preceding sub-
3 paragraph (A), by striking “30 days
4 after the date of the enactment of this
5 Act” and inserting “on November 4,
6 1999,”; and

7 (II) in subparagraph (A), by
8 striking “The date that is 90 days
9 after the date of the enactment of this
10 Act” and inserting “January 3, 2000”;

11 (ii) in subsection (d)(1), by striking
12 “the date of the enactment of this Act,” and
13 inserting “October 5, 1999,”; and

14 (iii) in subsection (g), by adding at the
15 end the following new paragraphs:

16 “(3) The term ‘national laboratory’ means any
17 of the following:

18 “(A) Lawrence Livermore National Labora-
19 tory, Livermore, California.

20 “(B) Los Alamos National Laboratory, Los
21 Alamos, New Mexico.

22 “(C) Sandia National Laboratories, Albu-
23 querque, New Mexico and Livermore, California.

1 “(4) *The term ‘Restricted Data’ has the meaning*
2 *given that term in section 11 y. of the Atomic Energy*
3 *Act of 1954 (42 U.S.C. 2014(y)).”.*

4 (4) *BACKGROUND INVESTIGATIONS ON CERTAIN*
5 *PERSONNEL.—Section 3143 of the National Defense*
6 *Authorization Act for Fiscal Year 2000 (Public Law*
7 *106–65; 113 Stat. 934) is—*

8 (A) *transferred to title XLV of division D of*
9 *the Bob Stump National Defense Authorization*
10 *Act for Fiscal Year 2003, as amended by this*
11 *subsection;*

12 (B) *redesignated as section 4503;*

13 (C) *inserted after section 4502, as added by*
14 *paragraph (3); and*

15 (D) *amended—*

16 (i) *in subsection (b), by striking “the*
17 *date of the enactment of this Act” and in-*
18 *serting “October 5, 1999,”; and*

19 (ii) *by adding at the end the following*
20 *new subsection:*

21 “(c) *DEFINITIONS.—In this section, the terms ‘na-*
22 *tional laboratory’ and ‘Restricted Data’ have the meanings*
23 *given such terms in section 4502(g)).”.*

24 (5) *COUNTERINTELLIGENCE POLYGRAPH PRO-*
25 *GRAM.—*

1 (A) *DEPARTMENT OF ENERGY COUNTER-*
2 *INTELLIGENCE POLYGRAPH PROGRAM.—Section*
3 *3152 of the National Defense Authorization Act*
4 *for Fiscal Year 2002 (Public Law 107–107; 115*
5 *Stat. 1376) is—*

6 (i) *transferred to title XLV of division*
7 *D of the Bob Stump National Defense Au-*
8 *thorization Act for Fiscal Year 2003, as*
9 *amended by this subsection;*

10 (ii) *redesignated as section 4504;*

11 (iii) *inserted after section 4503, as*
12 *added by paragraph (4); and*

13 (iv) *amended in subsection (c) by*
14 *striking “section 3154 of the Department of*
15 *Energy Facilities Safeguards, Security, and*
16 *Counterintelligence Enhancement Act of*
17 *1999 (subtitle D of title XXXI of Public*
18 *Law 106–65; 42 U.S.C. 7383h)” and insert-*
19 *ing “section 4504A”.*

20 (B) *COUNTERINTELLIGENCE POLYGRAPH*
21 *PROGRAM.—Section 3154 of the National Defense*
22 *Authorization Act for Fiscal Year 2000 (Public*
23 *Law 106–65; 113 Stat. 941), as amended by sec-*
24 *tion 3135 of the Floyd D. Spence National De-*
25 *fense Authorization Act for Fiscal Year 2001 (as*

1 enacted into law by Public Law 106–398; 114
2 Stat. 1654A–456), is—

3 (i) transferred to title XLV of division
4 D of the Bob Stump National Defense Au-
5 thorization Act for Fiscal Year 2003, as
6 amended by this subsection;

7 (ii) redesignated as section 4504A;

8 (iii) inserted after section 4504, as
9 added by subparagraph (A); and

10 (iv) amended in subsection (h) by
11 striking “180 days after the date of the en-
12 actment of this Act,” and inserting “April
13 5, 2000,”.

14 (6) NOTICE OF SECURITY AND COUNTERINTEL-
15 LIGENCE FAILURES.—Section 3150 of the National
16 Defense Authorization Act for Fiscal Year 2000 (Pub-
17 lic Law 106–65; 113 Stat. 939) is—

18 (A) transferred to title XLV of division D of
19 the Bob Stump National Defense Authorization
20 Act for Fiscal Year 2003, as amended by this
21 subsection;

22 (B) redesignated as section 4505;

23 (C) inserted after section 4504A, as added
24 by paragraph (5)(B).

1 (7) *ANNUAL REPORT ON SECURITY FUNCTIONS*
2 *AT NUCLEAR WEAPONS FACILITIES.*—Section 3162 of
3 *the National Defense Authorization Act for Fiscal*
4 *Year 1998 (Public Law 105–85; 111 Stat. 2049) is—*

5 (A) *transferred to title XLV of division D of*
6 *the Bob Stump National Defense Authorization*
7 *Act for Fiscal Year 2003, as amended by this*
8 *subsection;*

9 (B) *redesignated as section 4506;*

10 (C) *inserted after section 4505, as added by*
11 *paragraph (6); and*

12 (D) *amended in subsection (b) by inserting*
13 *“of the National Defense Authorization Act for*
14 *Fiscal Year 1998 (Public Law 105–85; 111 Stat.*
15 *2048; 42 U.S.C. 7251 note)” after “section*
16 *3161”.*

17 (8) *REPORT ON COUNTERINTELLIGENCE AND SE-*
18 *CURITY PRACTICES AT LABORATORIES.*—Section 3152
19 *of the National Defense Authorization Act for Fiscal*
20 *Year 2000 (Public Law 106–65; 113 Stat. 940) is—*

21 (A) *transferred to title XLV of division D of*
22 *the Bob Stump National Defense Authorization*
23 *Act for Fiscal Year 2003, as amended by this*
24 *subsection;*

25 (B) *redesignated as section 4507;*

1 (C) inserted after section 4506, as added by
2 paragraph (7); and

3 (D) amended by adding at the end the fol-
4 lowing new subsection:

5 “(c) NATIONAL LABORATORY DEFINED.—In this sec-
6 tion, the term ‘national laboratory’ has the meaning given
7 that term in section 4502(g)(3).”.

8 (9) REPORT ON SECURITY VULNERABILITIES OF
9 NATIONAL LABORATORY COMPUTERS.—Section 3153 of
10 the National Defense Authorization Act for Fiscal
11 Year 2000 (Public Law 106–65; 113 Stat. 940) is—

12 (A) transferred to title XLV of division D of
13 the Bob Stump National Defense Authorization
14 Act for Fiscal Year 2003, as amended by this
15 subsection;

16 (B) redesignated as section 4508;

17 (C) inserted after section 4507, as added by
18 paragraph (8); and

19 (D) amended by adding at the end the fol-
20 lowing new subsection:

21 “(f) NATIONAL LABORATORY DEFINED.—In this sec-
22 tion, the term ‘national laboratory’ has the meaning given
23 that term in section 4502(g)(3).”.

24 (10) SUBTITLE HEADING ON CLASSIFIED INFOR-
25 MATION.—Title XLV of division D of the Bob Stump

1 *National Defense Authorization Act for Fiscal Year*
2 *2003, as amended by this subsection, is further*
3 *amended by adding at the end the following new sub-*
4 *title heading:*

5 ***“Subtitle B—Classified***
6 ***Information”.***

7 (11) *REVIEW OF CERTAIN DOCUMENTS BEFORE*
8 *DECLASSIFICATION AND RELEASE.—Section 3155 of*
9 *the National Defense Authorization Act for Fiscal*
10 *Year 1996 (Public Law 104–106; 110 Stat. 625) is—*

11 (A) *transferred to title XLV of division D of*
12 *the Bob Stump National Defense Authorization*
13 *Act for Fiscal Year 2003, as amended by this*
14 *subsection;*

15 (B) *redesignated as section 4521; and*

16 (C) *inserted after the heading for subtitle B*
17 *of such title, as added by paragraph (10).*

18 (12) *PROTECTION AGAINST INADVERTENT RE-*
19 *LEASE OF RESTRICTED DATA AND FORMERLY RE-*
20 *STRICED DATA.—Section 3161 of the Strom Thur-*
21 *mond National Defense Authorization Act for Fiscal*
22 *Year 1999 (Public Law 105–261; 112 Stat. 2259), as*
23 *amended by section 1067(3) of the National Defense*
24 *Authorization Act for Fiscal Year 2000 (Public Law*
25 *106–65; 113 Stat. 774) and section 3193 of the Floyd*

1 *D. Spence National Defense Authorization Act for*
2 *Fiscal Year 2001 (as enacted into law by Public Law*
3 *106–398; 114 Stat. 1654A–480), is—*

4 *(A) transferred to title XLV of division D of*
5 *the Bob Stump National Defense Authorization*
6 *Act for Fiscal Year 2003, as amended by this*
7 *subsection;*

8 *(B) redesignated as section 4522;*

9 *(C) inserted after section 4521, as added by*
10 *paragraph (11); and*

11 *(D) amended—*

12 *(i) in subsection (c)(1), by striking*
13 *“the date of the enactment of this Act” and*
14 *inserting “October 17, 1998,”;*

15 *(ii) in subsection (f)(1), by striking*
16 *“the date of the enactment of this Act” and*
17 *inserting “October 17, 1998”; and*

18 *(iii) in subsection (f)(2), by striking*
19 *“The Secretary” and inserting “Com-*
20 *mencing with inadvertent releases discov-*
21 *ered on or after October 30, 2000, the Sec-*
22 *retary”.*

23 *(13) SUPPLEMENT TO PLAN FOR DECLASSIFICA-*
24 *TION OF RESTRICTED DATA AND FORMERLY RE-*
25 *STRICTED DATA.—Section 3149 of the National De-*

1 *fense Authorization Act for Fiscal Year 2000 (Public*
2 *Law 106–65; 113 Stat. 938) is—*

3 *(A) transferred to title XLV of division D of*
4 *the Bob Stump National Defense Authorization*
5 *Act for Fiscal Year 2003, as amended by this*
6 *subsection;*

7 *(B) redesignated as section 4523;*

8 *(C) inserted after section 4522, as added by*
9 *paragraph (12); and*

10 *(D) amended—*

11 *(i) in subsection (a), by striking “sub-*
12 *section (a) of section 3161 of the Strom*
13 *Thurmond National Defense Act for Fiscal*
14 *Year 1999 (Public Law 105–261; 112 Stat.*
15 *2260; 50 U.S.C. 435 note)” and inserting*
16 *“subsection (a) of section 4522”;*

17 *(ii) in subsection (b)—*

18 *(I) by striking “section 3161(b)(1)*
19 *of that Act” and inserting “subsection*
20 *(b)(1) of section 4522”; and*

21 *(II) by striking “the date of the*
22 *enactment of that Act” and inserting*
23 *“October 17, 1998,”;*

24 *(iii) in subsection (c)—*

1 (I) by striking “section 3161(c) of
2 that Act” and inserting “subsection (c)
3 of section 4522”; and

4 (II) by striking “section 3161(a)
5 of that Act” and inserting “subsection
6 (a) of such section”; and

7 (iv) in subsection (d), by striking “sec-
8 tion 3161(d) of that Act” and inserting
9 “subsection (d) of section 4522”.

10 (14) *PROTECTION OF CLASSIFIED INFORMATION*
11 *DURING LABORATORY-TO-LABORATORY EXCHANGES.*—
12 Section 3145 of the National Defense Authorization
13 Act for Fiscal Year 2000 (Public Law 106–65; 113
14 Stat. 935) is—

15 (A) transferred to title XLV of division D of
16 the Bob Stump National Defense Authorization
17 Act for Fiscal Year 2003, as amended by this
18 subsection;

19 (B) redesignated as section 4524; and

20 (C) inserted after section 4523, as added by
21 paragraph (13).

22 (15) *IDENTIFICATION IN BUDGETS OF AMOUNT*
23 *FOR DECLASSIFICATION ACTIVITIES.*—Section 3173 of
24 the National Defense Authorization Act for Fiscal
25 Year 2000 (Public Law 106–65; 113 Stat. 949) is—

1 (A) transferred to title XLV of division D of
2 the Bob Stump National Defense Authorization
3 Act for Fiscal Year 2003, as amended by this
4 subsection;

5 (B) redesignated as section 4525;

6 (C) inserted after section 4524, as added by
7 paragraph (14); and

8 (D) amended in subsection (b) by striking
9 “the date of the enactment of this Act” and in-
10 serting “October 5, 1999,”.

11 (16) *SUBTITLE HEADING ON EMERGENCY RE-*
12 *SPONSE.—Title XLV of division D of the Bob Stump*
13 *National Defense Authorization Act for Fiscal Year*
14 *2003, as amended by this subsection, is further*
15 *amended by adding at the end the following new sub-*
16 *title heading:*

17 **“Subtitle C—Emergency Response”.**

18 (17) *RESPONSIBILITY FOR DEFENSE PROGRAMS*
19 *EMERGENCY RESPONSE PROGRAM.—Section 3158 of*
20 *the National Defense Authorization Act for Fiscal*
21 *Year 1996 (Public Law 104–106; 110 Stat. 626) is—*

22 (A) transferred to title XLV of division D of
23 the Bob Stump National Defense Authorization
24 Act for Fiscal Year 2003, as amended by this
25 subsection;

1 (B) redesignated as section 4541; and
2 (C) inserted after the heading for subtitle C
3 of such title, as added by paragraph (16).

4 (i) *PERSONNEL MATTERS*.—

5 (1) *HEADINGS*.—*Division D of the Bob Stump*
6 *National Defense Authorization Act for Fiscal Year*
7 *2003, as amended by this section, is further amended*
8 *by adding at the end the following new headings:*

9 **“TITLE XLVI—PERSONNEL**
10 **MATTERS**
11 **“Subtitle A—Personnel**
12 **Management”.**

13 (2) *AUTHORITY FOR APPOINTMENT OF CERTAIN*
14 *SCIENTIFIC, ENGINEERING, AND TECHNICAL PER-*
15 *SONNEL*.—*Section 3161 of the National Defense Au-*
16 *thorization Act for Fiscal Year 1995 (Public Law*
17 *103–337; 108 Stat. 3095), as amended by section*
18 *3139 of the National Defense Authorization Act for*
19 *Fiscal Year 1998 (Public Law 105–85; 111 Stat.*
20 *2040), sections 3152 and 3155 of the Strom Thur-*
21 *mond National Defense Authorization Act for Fiscal*
22 *Year 1999 (Public Law 105–261; 112 Stat. 2253,*
23 *2257), and section 3191 of the Floyd D. Spence Na-*
24 *tional Defense Authorization Act for Fiscal Year 2001*

1 *(as enacted into law by Public Law 106–398; 114*
2 *Stat. 1654A–480), is—*

3 *(A) transferred to title XLVI of division D*
4 *of the Bob Stump National Defense Authoriza-*
5 *tion Act for Fiscal Year 2003, as added by para-*
6 *graph (1);*

7 *(B) redesignated as section 4601; and*

8 *(C) inserted after the heading for subtitle A*
9 *of such title, as so added.*

10 (3) *WHISTLEBLOWER PROTECTION PROGRAM.—*
11 *Section 3164 of the National Defense Authorization*
12 *Act for Fiscal Year 2000 (Public Law 106–65; 113*
13 *Stat. 946) is—*

14 *(A) transferred to title XLVI of division D*
15 *of the Bob Stump National Defense Authoriza-*
16 *tion Act for Fiscal Year 2003, as amended by*
17 *this subsection;*

18 *(B) redesignated as section 4602;*

19 *(C) inserted after section 4601, as added by*
20 *paragraph (2); and*

21 *(D) amended in subsection (n) by striking*
22 *“60 days after the date of the enactment of this*
23 *Act,” and inserting “December 5, 1999.”*

24 (4) *EMPLOYEE INCENTIVES FOR WORKERS AT*
25 *CLOSURE PROJECT FACILITIES.—Section 3136 of the*

1 *Floyd D. Spence National Defense Authorization Act*
2 *for Fiscal Year 2001 (as enacted into law by Public*
3 *Law 106–398; 114 Stat. 1654A–458) is—*

4 (A) *transferred to title XLVI of division D*
5 *of the Bob Stump National Defense Authoriza-*
6 *tion Act for Fiscal Year 2003, as amended by*
7 *this subsection;*

8 (B) *redesignated as section 4603;*

9 (C) *inserted after section 4602, as added by*
10 *paragraph (3); and*

11 (D) *amended—*

12 (i) *in subsections (c) and (i)(1)(A), by*
13 *striking “section 3143 of the National De-*
14 *fense Authorization Act for Fiscal Year*
15 *1997 (42 U.S.C. 7274n)” and inserting*
16 *“section 4421”; and*

17 (ii) *in subsection (g), by striking “sec-*
18 *tion 3143(h) of the National Defense Au-*
19 *thorization Act for Fiscal Year 1997” and*
20 *inserting “section 4421(h)”.*

21 (5) *DEFENSE NUCLEAR FACILITY WORKFORCE*
22 *RESTRUCTURING PLAN.—Section 3161 of the National*
23 *Defense Authorization Act for Fiscal Year 1993 (Pub-*
24 *lic Law 102–484; 106 Stat. 2644), as amended by sec-*
25 *tion 1070(c)(2) of the National Defense Authorization*

1 *Act for Fiscal Year 1995 (Public Law 103–337; 108*
2 *Stat. 2857), Public Law 105–277 (112 Stat. 2681–*
3 *419, 2681–430), and section 1048(h)(1) of the Na-*
4 *tional Defense Authorization Act for Fiscal Year 2002*
5 *(Public Law 107–107; 115 Stat. 1229), is—*

6 *(A) transferred to title XLVI of division D*
7 *of the Bob Stump National Defense Authoriza-*
8 *tion Act for Fiscal Year 2003, as amended by*
9 *this subsection;*

10 *(B) redesignated as section 4604;*

11 *(C) inserted after section 4603, as added by*
12 *paragraph (4); and*

13 *(D) amended—*

14 *(i) in subsection (a), by striking*
15 *“(hereinafter in this subtitle referred to as*
16 *the ‘Secretary’”); and*

17 *(ii) by adding at the end the following*
18 *new subsection:*

19 *“(g) DEPARTMENT OF ENERGY DEFENSE NUCLEAR*
20 *FACILITY DEFINED.—In this section, the term ‘Department*
21 *of Energy defense nuclear facility’ means—*

22 *“(1) a production facility or utilization facility*
23 *(as those terms are defined in section 11 of the Atomic*
24 *Energy Act of 1954 (42 U.S.C. 2014)) that is under*
25 *the control or jurisdiction of the Secretary and that*

1 *is operated for national security purposes (including*
2 *the tritium loading facility at Savannah River,*
3 *South Carolina, the 236 H facility at Savannah*
4 *River, South Carolina; and the Mound Laboratory,*
5 *Ohio), but the term does not include any facility that*
6 *does not conduct atomic energy defense activities and*
7 *does not include any facility or activity covered by*
8 *Executive Order Number 12344, dated February 1,*
9 *1982, pertaining to the naval nuclear propulsion pro-*
10 *gram;*

11 *“(2) a nuclear waste storage or disposal facility*
12 *that is under the control or jurisdiction of the Sec-*
13 *retary;*

14 *“(3) a testing and assembly facility that is*
15 *under the control or jurisdiction of the Secretary and*
16 *that is operated for national security purposes (in-*
17 *cluding the Nevada Test Site, Nevada; the Pinnellas*
18 *Plant, Florida; and the Pantex facility, Texas);*

19 *“(4) an atomic weapons research facility that is*
20 *under the control or jurisdiction of the Secretary (in-*
21 *cluding Lawrence Livermore, Los Alamos, and*
22 *Sandia National Laboratories); or*

23 *“(5) any facility described in paragraphs (1)*
24 *through (4) that—*

25 *“(A) is no longer in operation;*

1 “(B) was under the control or jurisdiction
2 of the Department of Defense, the Atomic Energy
3 Commission, or the Energy Research and Devel-
4 opment Administration; and

5 “(C) was operated for national security
6 purposes.”.

7 (6) *AUTHORITY TO PROVIDE CERTIFICATE OF*
8 *COMMENDATION TO EMPLOYEES.*—Section 3195 of the
9 *Floyd D. Spence National Defense Authorization Act*
10 *for Fiscal Year 2001 (as enacted into law by Public*
11 *Law 106–398; 114 Stat. 1654A–481) is—*

12 (A) transferred to title XLVI of division D
13 of the *Bob Stump National Defense Authoriza-*
14 *tion Act for Fiscal Year 2003, as amended by*
15 *this subsection;*

16 (B) redesignated as section 4605; and

17 (C) inserted after section 4604, as added by
18 paragraph (5).

19 (7) *SUBTITLE HEADING ON TRAINING AND EDU-*
20 *CATION.*—Title XLVI of division D of the *Bob Stump*
21 *National Defense Authorization Act for Fiscal Year*
22 *2003, as amended by this subsection, is further*
23 *amended by adding at the end the following new sub-*
24 *title heading:*

1 **“Subtitle B—Education and**
2 **Training”.**

3 (8) *EXECUTIVE MANAGEMENT TRAINING.*—*Sec-*
4 *tion 3142 of the National Defense Authorization Act*
5 *for Fiscal Years 1990 and 1991 (Public Law 101-*
6 *189; 103 Stat. 1680) is—*

7 (A) *transferred to title XLVI of division D*
8 *of the Bob Stump National Defense Authoriza-*
9 *tion Act for Fiscal Year 2003, as amended by*
10 *this subsection;*

11 (B) *redesignated as section 4621;*

12 (C) *inserted after the heading for subtitle B*
13 *of such title, as added by paragraph (7); and*

14 (D) *amended in the section heading by add-*
15 *ing a period at the end.*

16 (9) *STOCKPILE STEWARDSHIP RECRUITMENT*
17 *AND TRAINING PROGRAM.*—*Section 3131 of the Na-*
18 *tional Defense Authorization Act for Fiscal Year 1995*
19 *(Public Law 103–337; 108 Stat. 3085) is—*

20 (A) *transferred to title XLVI of division D*
21 *of the Bob Stump National Defense Authoriza-*
22 *tion Act for Fiscal Year 2003, as amended by*
23 *this subsection;*

24 (B) *redesignated as section 4622;*

1 (C) inserted after section 4621, as added by
2 paragraph (8); and

3 (D) amended—

4 (i) in subsection (a)(1), by striking
5 “section 3138 of the National Defense Au-
6 thorization Act for Fiscal Year 1994 (Public
7 Law 103–160; 107 Stat. 1946; 42 U.S.C.
8 2121 note)” and inserting “section 4201”;
9 and

10 (ii) in subsection (b)(2), by inserting
11 “of the National Defense Authorization Act
12 for Fiscal Year 1995 (Public Law 103–
13 337)” after “section 3101(a)(1)”.

14 (10) *FELLOWSHIP PROGRAM FOR DEVELOPMENT*
15 *OF SKILLS CRITICAL TO NUCLEAR WEAPONS COM-*
16 *PLEX.*—Section 3140 of the National Defense Author-
17 ization Act for Fiscal Year 1996 (Public Law 104–
18 106; 110 Stat 621), as amended by section 3162 of the
19 National Defense Authorization Act for Fiscal Year
20 2000 (Public Law 106–65; 113 Stat. 943), is—

21 (A) transferred to title XLVI of division D
22 of the Bob Stump National Defense Authoriza-
23 tion Act for Fiscal Year 2003, as amended by
24 this subsection;

25 (B) redesignated as section 4623; and

1 (C) inserted after section 4622, as added by
2 paragraph (9).

3 (11) *SUBTITLE HEADING ON WORKER SAFETY.*—
4 *Title XLVI of division D of the Bob Stump National*
5 *Defense Authorization Act for Fiscal Year 2003, as*
6 *amended by this subsection, is further amended by*
7 *adding at the end the following new subtitle heading:*

8 ***“Subtitle C—Worker Safety”***.

9 (12) *WORKER PROTECTION AT NUCLEAR WEAP-*
10 *ONS FACILITIES.*—*Section 3131 of the National De-*
11 *fense Authorization Act for Fiscal Years 1992 and*
12 *1993 (Public Law 102–190; 105 Stat. 1571) is—*

13 (A) transferred to title XLVI of division D
14 of the Bob Stump National Defense Authoriza-
15 tion Act for Fiscal Year 2003, as amended by
16 this subsection;

17 (B) redesignated as section 4641;

18 (C) inserted after the heading for subtitle C
19 of such title, as added by paragraph (11); and

20 (D) amended in subsection (e) by inserting
21 “of the National Defense Authorization Act for
22 Fiscal Years 1992 and 1993 (Public Law 102–
23 190)” after “section 3101(9)(A)”.

24 (13) *SAFETY OVERSIGHT AND ENFORCEMENT AT*
25 *DEFENSE NUCLEAR FACILITIES.*—*Section 3163 of the*

1 *National Defense Authorization Act for Fiscal Year*
2 *1995 (Public Law 103–337; 108 Stat. 3097) is—*

3 *(A) transferred to title XLVI of division D*
4 *of the Bob Stump National Defense Authoriza-*
5 *tion Act for Fiscal Year 2003, as amended by*
6 *this subsection;*

7 *(B) redesignated as section 4642;*

8 *(C) inserted after section 4641, as added by*
9 *paragraph (12); and*

10 *(D) amended in subsection (b) by striking*
11 *“90 days after the date of the enactment of this*
12 *Act,” and inserting “January 5, 1995.”*

13 *(14) PROGRAM TO MONITOR WORKERS AT DE-*
14 *FENSE NUCLEAR FACILITIES EXPOSED TO HAZARDOUS*
15 *OR RADIOACTIVE SUBSTANCES.—Section 3162 of the*
16 *National Defense Authorization Act for Fiscal Year*
17 *1993 (Public Law 102–484; 106 Stat. 2646) is—*

18 *(A) transferred to title XLVI of division D*
19 *of the Bob Stump National Defense Authoriza-*
20 *tion Act for Fiscal Year 2003, as amended by*
21 *this subsection;*

22 *(B) redesignated as section 4643;*

23 *(C) inserted after section 4642, as added by*
24 *paragraph (13); and*

25 *(D) amended—*

1 (i) *in subsection (b)(6), by striking “1*
2 *year after the date of the enactment of this*
3 *Act” and inserting “October 23, 1993”;*

4 (ii) *in subsection (c), by striking “180*
5 *days after the date of the enactment of this*
6 *Act,” and inserting “April 23, 1993,”; and*

7 (iii) *by adding at the end the following*
8 *new subsection:*

9 “(c) *DEFINITIONS.—In this section:*

10 “(1) *The term ‘Department of Energy defense*
11 *nuclear facility’ has the meaning given that term in*
12 *section 4604(g).*

13 “(2) *The term ‘Department of Energy employee’*
14 *means any employee of the Department of Energy*
15 *employed at a Department of Energy defense nuclear*
16 *facility, including any employee of a contractor of*
17 *subcontractor of the Department of Energy employed*
18 *at such a facility.”.*

19 (j) *BUDGET AND FINANCIAL MANAGEMENT MAT-*
20 *TERS.—*

21 (1) *HEADINGS.—Division D of the Bob Stump*
22 *National Defense Authorization Act for Fiscal Year*
23 *2003, as amended by this section, is further amended*
24 *by adding at the end the following new headings:*

1 **“TITLE XLVII—BUDGET AND FI-**
2 **NANCIAL MANAGEMENT MAT-**
3 **TERS**

4 **“Subtitle A—Recurring National**
5 **Security Authorization Provisions”.**

6 (2) *RECURRING NATIONAL SECURITY AUTHOR-*
7 *IZATION PROVISIONS.*—Sections 3620 through 3631 of
8 *the Bob Stump National Defense Authorization Act*
9 *for Fiscal Year 2003 (Public Law 107–314; 116 Stat.*
10 *2756) are—*

11 (A) *transferred to title XLVII of division D*
12 *of such Act, as added by paragraph (1);*

13 (B) *redesignated as sections 4701 through*
14 *4712, respectively;*

15 (C) *inserted after the heading for subtitle A*
16 *of such title, as so added; and*

17 (D) *amended—*

18 (i) *in section 4702, as so redesignated,*
19 *by striking “sections 3629 and 3630” and*
20 *inserting “sections 4710 and 4711”;*

21 (ii) *in section 4706(a)(3)(B), as so re-*
22 *designated, by striking “section 3626” and*
23 *inserting “section 4707”;*

1 (iii) in section 4707(c), as so redesign-
2 ated, by striking “section 3625(b)(2)” and
3 inserting “section 4706(b)(2)”;

4 (iv) in section 4710(c), as so redesign-
5 ated, by striking “section 3621” and in-
6 serting “section 4702”;

7 (v) in section 4711(c), as so redesign-
8 ated, by striking “section 3621” and in-
9 serting “section 4702”; and

10 (vi) in section 4712, as so redesignated,
11 by striking “section 3621” and inserting
12 “section 4702”.

13 (3) *SUBTITLE HEADING ON PENALTIES.*—Title
14 *XLVII of division D of the Bob Stump National De-*
15 *fense Authorization Act for Fiscal Year 2003, as*
16 *amended by this subsection, is further amended by*
17 *adding at the end the following new subtitle heading:*

18 **“Subtitle B—Penalties”.**

19 (4) *RESTRICTION ON USE OF FUNDS TO PAY PEN-*
20 *ALTIES UNDER ENVIRONMENTAL LAWS.*—Section 3132
21 *of the National Defense Authorization Act for Fiscal*
22 *Year 1987 (Public Law 99–661; 100 Stat. 4063) is—*

23 (A) transferred to title *XLVII of division D*
24 *of the Bob Stump National Defense Authoriza-*

1 *tion Act for Fiscal Year 2003, as amended by*
 2 *this subsection;*

3 *(B) redesignated as section 4721;*

4 *(C) inserted after the heading for subtitle B*
 5 *of such title, as added by paragraph (3); and*

6 *(D) amended in the section heading by add-*
 7 *ing a period at the end.*

8 *(5) RESTRICTION ON USE OF FUNDS TO PAY PEN-*
 9 *ALTIES UNDER CLEAN AIR ACT.—Section 211 of the*
 10 *Department of Energy National Security and Mili-*
 11 *tary Applications of Nuclear Energy Authorization*
 12 *Act of 1981 (Public Law 96–540; 94 Stat. 3203) is—*

13 *(A) transferred to title XLVII of division D*
 14 *of the Bob Stump National Defense Authoriza-*
 15 *tion Act for Fiscal Year 2003, as amended by*
 16 *this subsection;*

17 *(B) inserted after section 4721, as added by*
 18 *paragraph (4); and*

19 *(C) amended—*

20 *(i) by striking the section heading and*
 21 *inserting the following new section heading:*

22 ***“SEC. 4722. RESTRICTION ON USE OF FUNDS TO PAY PEN-***
 23 ***ALTIES UNDER CLEAN AIR ACT.”;***

24 *(ii) by striking SEC. 211.”; and*

1 (iii) by striking “this or any other
2 Act” and inserting “the Department of En-
3 ergy National Security and Military Appli-
4 cations of Nuclear Energy Authorization
5 Act of 1981 (Public Law 96–540) or any
6 other Act”.

7 (6) *SUBTITLE HEADING ON OTHER MATTERS.*—
8 *Title XLVII of division D of the Bob Stump National*
9 *Defense Authorization Act for Fiscal Year 2003, as*
10 *amended by this subsection, is further amended by*
11 *adding at the end the following new subtitle heading:*
12 **“Subtitle C—Other Matters”.**

13 (7) *SINGLE REQUEST FOR AUTHORIZATION OF*
14 *APPROPRIATIONS FOR COMMON DEFENSE AND SECU-*
15 *RITY PROGRAMS.*—*Section 208 of the Department of*
16 *Energy National Security and Military Applications*
17 *of Nuclear Energy Authorization Act of 1979 (Public*
18 *Law 95–509; 92 Stat. 1779) is—*

19 (A) *transferred to title XLVII of division D*
20 *of the Bob Stump National Defense Authoriza-*
21 *tion Act for Fiscal Year 2003, as amended by*
22 *this subsection;*

23 (B) *inserted after the heading for subtitle C*
24 *of such title, as added by paragraph (6); and*

25 (C) *amended—*

1 (i) by striking the section heading and
2 inserting the following new section heading:

3 **“SEC. 4731. SINGLE REQUEST FOR AUTHORIZATION OF AP-**
4 **PROPRIATIONS FOR COMMON DEFENSE AND**
5 **SECURITY PROGRAMS.”; and**

6 (ii) by striking “SEC. 208.”.

7 (k) *ADMINISTRATIVE MATTERS.*—

8 (1) *HEADINGS.*—*Division D of the Bob Stump*
9 *National Defense Authorization Act for Fiscal Year*
10 *2003, as amended by this section, is further amended*
11 *by adding at the end the following new headings:*

12 **“TITLE XLVIII—ADMINISTRATIVE**
13 **MATTERS**
14 **“Subtitle A—Contracts”.**

15 (2) *COSTS NOT ALLOWED UNDER CERTAIN CON-*
16 *TRACTS.*—*Section 1534 of the Department of Defense*
17 *Authorization Act, 1986 (Public Law 99–145; 99*
18 *Stat. 774), as amended by section 3131 of the Na-*
19 *tional Defense Authorization Act for Fiscal Years*
20 *1988 and 1989 (Public Law 100–180; 101 Stat.*
21 *1238), is—*

22 (A) *transferred to title XLVIII of division*
23 *D of the Bob Stump National Defense Authoriza-*
24 *tion Act for Fiscal Year 2003, as added by para-*
25 *graph (1);*

1 (B) redesignated as section 4801;

2 (C) inserted after the heading for subtitle A
3 of such title, as so added; and

4 (D) amended—

5 (i) in the section heading, by adding a
6 period at the end; and

7 (ii) in subsection (b)(1), by striking
8 “the date of the enactment of this Act,” and
9 inserting “November 8, 1985.”

10 (3) *PROHIBITION ON BONUSES TO CONTRACTORS*
11 *OPERATING DEFENSE NUCLEAR FACILITIES.*—Section
12 3151 of the National Defense Authorization Act for
13 Fiscal Years 1990 and 1991 (Public Law 101–189;
14 103 Stat. 1682) is—

15 (A) transferred to title XLVIII of division
16 D of the Bob Stump National Defense Authoriza-
17 tion Act for Fiscal Year 2003, as amended by
18 this subsection;

19 (B) redesignated as section 4802;

20 (C) inserted after section 4801, as added by
21 paragraph (2); and

22 (D) amended—

23 (i) in the section heading, by adding a
24 period at the end;

1 (ii) in subsection (a), by striking “the
2 date of the enactment of this Act” and in-
3 serting “November 29, 1989”;

4 (iii) in subsection (b), by striking “6
5 months after the date of the enactment of
6 this Act,” and inserting “May 29, 1990,”;
7 and

8 (iv) in subsection (d), by striking “90
9 days after the date of the enactment of this
10 Act” and inserting “March 1, 1990”.

11 (4) *CONTRACTOR LIABILITY FOR INJURY OR LOSS*
12 *OF PROPERTY ARISING FROM ATOMIC WEAPONS TEST-*
13 *ING PROGRAMS.—Section 3141 of the National De-*
14 *fense Authorization Act for Fiscal Year 1991 (Public*
15 *Law 101–510; 104 Stat. 1837) is—*

16 (A) transferred to title XLVIII of division
17 D of the Bob Stump National Defense Authoriza-
18 tion Act for Fiscal Year 2003, as amended by
19 this subsection;

20 (B) redesignated as section 4803;

21 (C) inserted after section 4802, as added by
22 paragraph (3); and

23 (D) amended—

24 (i) in the section heading, by adding a
25 period at the end; and

1 (ii) in subsection (d), by striking “the
2 date of the enactment of this Act” each
3 place it appears and inserting “November
4 5, 1990,”.

5 (5) *SUBTITLE HEADING ON RESEARCH AND DE-*
6 *VELOPMENT.—Title XLVIII of division D of the Bob*
7 *Stump National Defense Authorization Act for Fiscal*
8 *Year 2003, as amended by this subsection, is further*
9 *amended by adding at the end the following new sub-*
10 *title heading:*

11 ***“Subtitle B—Research and***
12 ***Development”.***

13 (6) *LABORATORY-DIRECTED RESEARCH AND DE-*
14 *VELOPMENT.—Section 3132 of the National Defense*
15 *Authorization Act for Fiscal Year 1991 (Public Law*
16 *101–510; 104 Stat. 1832) is—*

17 (A) *transferred to title XLVIII of division*
18 *D of the Bob Stump National Defense Authoriza-*
19 *tion Act for Fiscal Year 2003, as amended by*
20 *this subsection;*

21 (B) *redesignated as section 4811;*

22 (C) *inserted after the heading for subtitle B*
23 *of such title, as added by paragraph (5); and*

24 (D) *amended in the section heading by add-*
25 *ing a period at the end.*

1 (7) *LIMITATIONS ON USE OF FUNDS FOR LAB-*
2 *ORATORY DIRECTED RESEARCH AND DEVELOP-*
3 *MENT.—*

4 (A) *LIMITATIONS ON USE OF FUNDS FOR*
5 *LABORATORY DIRECTED RESEARCH AND DEVEL-*
6 *OPMENT.—Section 3137 of the National Defense*
7 *Authorization Act for Fiscal Year 1998 (Public*
8 *Law 105–85; 111 Stat. 2038) is—*

9 (i) *transferred to title XLVIII of divi-*
10 *sion D of the Bob Stump National Defense*
11 *Authorization Act for Fiscal Year 2003, as*
12 *amended by this subsection;*

13 (ii) *redesignated as section 4812;*

14 (iii) *inserted after section 4811, as*
15 *added by paragraph (6); and*

16 (iv) *amended—*

17 (I) *in subsection (b), by striking*
18 *“section 3136(b) of the National De-*
19 *fense Authorization Act for Fiscal Year*
20 *1997 (Public Law 104–201; 110 Stat.*
21 *2831; 42 U.S.C. 7257b)” and inserting*
22 *“section 4812A(b)”;*

23 (II) *in subsection (d)—*

1 (aa) by striking “section
2 3136(b)(1)” and inserting “sec-
3 tion 4812A(b)(1)”; and

4 (bb) by striking “section
5 3132(c) of the National Defense
6 Authorization Act for Fiscal Year
7 1991 (42 U.S.C. 7257a(c))” and
8 inserting “section 4811(c)”; and

9 (III) in subsection (e), by striking
10 “section 3132(d) of the National De-
11 fense Authorization Act for Fiscal Year
12 1991 (42 U.S.C. 7257a(d))” and in-
13 serting “section 4811(d)”.

14 (B) *LIMITATION ON USE OF FUNDS FOR*
15 *CERTAIN RESEARCH AND DEVELOPMENT PUR-*
16 *POSES.*—Section 3136 of the National Defense
17 Authorization Act for Fiscal Year 1997 (Public
18 Law 104–201; 110 Stat. 2830), as amended by
19 section 3137 of the National Defense Authoriza-
20 tion Act for Fiscal Year 1998 (Public Law 105–
21 85; 111 Stat. 2038), is—

22 (i) transferred to title XLVIII of divi-
23 sion D of the Bob Stump National Defense
24 Authorization Act for Fiscal Year 2003, as
25 amended by this subsection;

- 1 (ii) redesignated as section 4812A;
2 (iii) inserted after section 4812, as
3 added by paragraph (7); and
4 (iv) amended in subsection (a) by in-
5 serting “of the National Defense Authoriza-
6 tion Act for Fiscal Year 1997 (Public Law
7 104–201)” after “section 3101”.

8 (8) *CRITICAL TECHNOLOGY PARTNERSHIPS.*—
9 Section 3136 of the National Defense Authorization
10 Act for Fiscal Years 1992 and 1993 (Public Law
11 102–190; 105 Stat. 1577), as amended by section
12 203(b)(3) of Public Law 103–35 (107 Stat. 102), is—

13 (A) transferred to title XLVIII of division
14 D of the Bob Stump National Defense Authoriza-
15 tion Act for Fiscal Year 2003, as amended by
16 this subsection;

17 (B) redesignated as section 4813; and

18 (C) inserted after section 4812A, as added
19 by paragraph (7)(B).

20 (9) *UNIVERSITY-BASED RESEARCH COLLABORA-*
21 *TION PROGRAM.*—Section 3155 of the National De-
22 fense Authorization Act for Fiscal Year 1998 (Public
23 Law 105–85; 111 Stat. 2044) is—

24 (A) transferred to title XLVIII of division
25 D of the Bob Stump National Defense Authoriza-

1 *tion Act for Fiscal Year 2003, as amended by*
2 *this subsection;*

3 *(B) redesignated as section 4814;*

4 *(C) inserted after section 4813, as added by*
5 *paragraph (8); and*

6 *(D) amended in subsection (c) by striking*
7 *“this title” and inserting “title XXXI of the Na-*
8 *tional Defense Authorization Act for Fiscal Year*
9 *1998 (Public Law 105–85)”.*

10 *(10) SUBTITLE HEADING ON FACILITIES MAN-*
11 *AGEMENT.—Title XLVIII of division D of the Bob*
12 *Stump National Defense Authorization Act for Fiscal*
13 *Year 2003, as amended by this subsection, is further*
14 *amended by adding at the end the following new sub-*
15 *title heading:*

16 ***“Subtitle C—Facilities***
17 ***Management”.***

18 *(11) TRANSFERS OF REAL PROPERTY AT CER-*
19 *TAIN FACILITIES.—Section 3158 of the National De-*
20 *fense Authorization Act for Fiscal Year 1998 (Public*
21 *Law 105–85; 111 Stat. 2046) is—*

22 *(A) transferred to title XLVIII of division*
23 *D of the Bob Stump National Defense Authoriza-*
24 *tion Act for Fiscal Year 2003, as amended by*
25 *this subsection;*

1 (B) redesignated as section 4831; and

2 (C) inserted after the heading for subtitle C
3 of such title, as added by paragraph (10).

4 (12) *ENGINEERING AND MANUFACTURING RE-*
5 *SEARCH, DEVELOPMENT, AND DEMONSTRATION AT*
6 *CERTAIN NUCLEAR WEAPONS PRODUCTION PLANTS.—*
7 *Section 3156 of the Floyd D. Spence National Defense*
8 *Authorization Act for Fiscal Year 2001 (as enacted*
9 *into law by Public Law 106–398; 114 Stat. 1654A–*
10 *467) is—*

11 (A) transferred to title XLVIII of division
12 *D of the Bob Stump National Defense Authoriza-*
13 *tion Act for Fiscal Year 2003, as amended by*
14 *this subsection;*

15 (B) redesignated as section 4832; and

16 (C) inserted after section 4831, as added by
17 paragraph (11).

18 (13) *PILOT PROGRAM ON USE OF PROCEEDS OF*
19 *DISPOSAL OR UTILIZATION OF CERTAIN ASSETS.—*
20 *Section 3138 of the National Defense Authorization*
21 *Act for Fiscal Year 1998 (Public Law 105–85; 111*
22 *Stat. 2039) is—*

23 (A) transferred to title XLVIII of division
24 *D of the Bob Stump National Defense Authoriza-*

1 *tion Act for Fiscal Year 2003, as amended by*
2 *this subsection;*

3 *(B) redesignated as section 4833;*

4 *(C) inserted after section 4832, as added by*
5 *paragraph (12); and*

6 *(D) amended in subsection (d) by striking*
7 *“sections 202 and 203(j) of the Federal Property*
8 *and Administrative Services Act of 1949 (40*
9 *U.S.C. 483 and 484(j))” and inserting “sub-*
10 *chapter II of chapter 5 and section 549 of title*
11 *40, United States Code,”.*

12 *(14) SUBTITLE HEADING ON OTHER MATTERS.—*
13 *Title XLVIII of division D of the Bob Stump Na-*
14 *tional Defense Authorization Act for Fiscal Year*
15 *2003, as amended by this subsection, is further*
16 *amended by adding at the end the following new sub-*
17 *title heading:*

18 ***“Subtitle D—Other Matters”.***

19 *(15) SEMIANNUAL REPORTS ON LOCAL IMPACT*
20 *ASSISTANCE.—Subsection (f) of section 3153 of the*
21 *National Defense Authorization Act for Fiscal Year*
22 *1998 (Public Law 105–85; 111 Stat. 2044) is—*

23 *(A) transferred to title XLVIII of division*
24 *D of the Bob Stump National Defense Authoriza-*

1 *tion Act for Fiscal Year 2003, as amended by*
2 *this subsection;*

3 *(B) inserted after the heading for subtitle D*
4 *of such title, as added by paragraph (14); and*
5 *(C) amended—*

6 *(i) by inserting before the text the fol-*
7 *lowing new section heading:*

8 ***“SEC. 4851. SEMIANNUAL REPORTS ON LOCAL IMPACT AS-***
9 ***SISTANCE.”;***

10 *(ii) by striking “(f) SEMIANNUAL RE-*
11 *PORTS ON LOCAL IMPACT ASSISTANCE.—”;*

12 *and*

13 *(iii) by striking “section 3161(c)(6) of*
14 *the National Defense Authorization Act of*
15 *Fisca Year 1993 (42 U.S.C. 7274h(c)(6))”*
16 *and inserting “section 4604(c)(6)”.*

17 *(l) MATTERS RELATING TO PARTICULAR FACILI-*
18 *TIES.—*

19 *(1) HEADINGS.—Division D of the Bob Stump*
20 *National Defense Authorization Act for Fiscal Year*
21 *2003, as amended by this section, is further amended*
22 *by adding at the end the following new headings:*

1 **“TITLE XLIX—MATTERS RELAT-**
2 **ING TO PARTICULAR FACILI-**
3 **TIES**

4 **“Subtitle A—Hanford Reservation,**
5 **Washington”.**

6 (2) SAFETY MEASURES FOR WASTE TANKS.—Sec-
7 tion 3137 of the National Defense Authorization Act
8 for Fiscal Year 1991 (Public Law 101–510; 104 Stat.
9 1833) is—

10 (A) transferred to title XLIX of division D
11 of the Bob Stump National Defense Authoriza-
12 tion Act for Fiscal Year 2003, as added by para-
13 graph (1);

14 (B) redesignated as section 4901;

15 (C) inserted after the heading for subtitle A
16 of such title, as so added; and

17 (D) amended—

18 (i) in the section heading, by adding a
19 period at the end;

20 (ii) in subsection (a), by striking
21 “Within 90 days after the date of the enact-
22 ment of this Act,” and inserting “Not later
23 than February 3, 1991,”;

24 (iii) in subsection (b), by striking
25 “Within 120 days after the date of the en-

1 *actment of this Act,” and inserting “Not*
2 *later than March 5, 1991,”;*

3 *(iv) in subsection (c), by striking “Be-*
4 *ginning 120 days after the date of the en-*
5 *actment of this Act,” and inserting “Begin-*
6 *ning March 5, 1991,”; and*

7 *(v) in subsection (d), by striking*
8 *“Within six months of the date of the enact-*
9 *ment of this Act,” and inserting “Not later*
10 *than May 5, 1991,”.*

11 (3) *PROGRAMS FOR PERSONS WHO MAY HAVE*
12 *BEEN EXPOSED TO RADIATION RELEASED FROM HAN-*
13 *FORD RESERVATION.—Section 3138 of the National*
14 *Defense Authorization Act for Fiscal Year 1991 (Pub-*
15 *lic Law 101–510; 104 Stat. 1834), as amended by sec-*
16 *tion 3138 of the National Defense Authorization Act*
17 *for Fiscal Year 1995 (Public Law 103–337; 108 Stat.*
18 *3087), is—*

19 *(A) transferred to title XLIX of division D*
20 *of the Bob Stump National Defense Authoriza-*
21 *tion Act for Fiscal Year 2003, as amended by*
22 *this subsection;*

23 *(B) redesignated as section 4902;*

24 *(C) inserted after section 4901, as added by*
25 *paragraph (2); and*

1 (D) amended—

2 (i) in the section heading, by adding a
3 period at the end;

4 (ii) in subsection (a), by striking “this
5 title” and inserting “title XXXI of the Na-
6 tional Defense Authorization Act for Fiscal
7 Year 1991 (Public Law 101–510)”; and

8 (iii) in subsection (c)—

9 (I) in paragraph (2), by striking
10 “six months after the date of the enact-
11 ment of this Act,” and inserting “May
12 5, 1991,”; and

13 (II) in paragraph (3), by striking
14 “18 months after the date of the enact-
15 ment of this Act,” and inserting “May
16 5, 1992,”.

17 (4) WASTE TANK CLEANUP PROGRAM.—Section
18 3139 of the Strom Thurmond National Defense Au-
19 thorization Act for Fiscal Year 1999 (Public Law
20 105–261; 112 Stat. 2250), as amended by section
21 3141 of the Floyd D. Spence National Defense Au-
22 thorization Act for Fiscal Year 2001 (as enacted into
23 law by Public Law 106–398; 114 Stat. 1654A–463)
24 and section 3135 of the National Defense Authoriza-

1 *tion Act for Fiscal Year 2002 (Public Law 107–107;*
2 *115 Stat. 1368), is—*

3 *(A) transferred to title XLIX of division D*
4 *of the Bob Stump National Defense Authoriza-*
5 *tion Act for Fiscal Year 2003, as amended by*
6 *this subsection;*

7 *(B) redesignated as section 4903;*

8 *(C) inserted after section 4902, as added by*
9 *paragraph (3); and*

10 *(D) amended in subsection (d) by striking*
11 *“30 days after the date of the enactment of the*
12 *Floyd D. Spence National Defense Authorization*
13 *Act for Fiscal Year 2001,” and inserting “No-*
14 *vember 29, 2000.”*

15 *(5) RIVER PROTECTION PROJECT.—Subsection*
16 *(a) of section 3141 of the Floyd D. Spence National*
17 *Defense Authorization Act for Fiscal Year 2001 (as*
18 *enacted into law by Public Law 106–398; 114 Stat.*
19 *1654A–462) is—*

20 *(A) transferred to title XLIX of division D*
21 *of the Bob Stump National Defense Authoriza-*
22 *tion Act for Fiscal Year 2003, as amended by*
23 *this subsection;*

24 *(B) inserted after section 4903, as added by*
25 *paragraph (4); and*

1 (C) amended—

2 (i) by inserting before the text the fol-
3 lowing new section heading:

4 **“SEC. 4904. RIVER PROTECTION PROJECT.”**; and

5 (ii) by striking “(a) REDESIGNATION
6 OF PROJECT.—”.

7 (6) *FUNDING FOR TERMINATION COSTS OF RIVER*
8 *PROTECTION PROJECT.—Section 3131 of the Floyd D.*
9 *Spence National Defense Authorization Act for Fiscal*
10 *Year 2001 (as enacted into law by Public Law 106–*
11 *398; 114 Stat. 1654A–454) is—*

12 (A) transferred to title XLIX of division D
13 of the Bob Stump National Defense Authoriza-
14 tion Act for Fiscal Year 2003, as amended by
15 this subsection;

16 (B) redesignated as section 4905;

17 (C) inserted after section 4904, as added by
18 paragraph (5); and

19 (D) amended—

20 (i) by striking “section 3141” and in-
21 serting “section 4904”; and

22 (ii) by striking “the date of the enact-
23 ment of this Act” and inserting “October
24 30, 2000”.

1 (7) *SUBTITLE HEADING ON SAVANNAH RIVER*
2 *SITE, SOUTH CAROLINA.—Title XLIX of division D of*
3 *the Bob Stump National Defense Authorization Act*
4 *for Fiscal Year 2003, as amended by this subsection,*
5 *is further amended by adding at the end the following*
6 *new subtitle heading:*

7 **“Subtitle B—Savannah River Site,**
8 **South Carolina”.**

9 (8) *ACCELERATED SCHEDULE FOR ISOLATING*
10 *HIGH-LEVEL NUCLEAR WASTE AT DEFENSE WASTE*
11 *PROCESSING FACILITY.—Section 3141 of the National*
12 *Defense Authorization Act for Fiscal Year 1997 (Pub-*
13 *lic Law 104–201; 110 Stat. 2834) is—*

14 (A) *transferred to title XLIX of division D*
15 *of the Bob Stump National Defense Authoriza-*
16 *tion Act for Fiscal Year 2003, as amended by*
17 *this subsection;*

18 (B) *redesignated as 4911; and*

19 (C) *inserted after the heading for subtitle B*
20 *of such title, as added by paragraph (7).*

21 (9) *MULTI-YEAR PLAN FOR CLEAN-UP.—Sub-*
22 *section (e) of section 3142 of the National Defense Au-*
23 *thorization Act for Fiscal Year 1997 (Public Law*
24 *104–201; 110 Stat. 2834) is—*

1 (A) transferred to title XLIX of division D
2 of the Bob Stump National Defense Authoriza-
3 tion Act for Fiscal Year 2003, as amended by
4 this subsection;

5 (B) inserted after section 4911, as added by
6 paragraph (8); and

7 (C) amended—

8 (i) by inserting before the text the fol-
9 lowing new section heading:

10 **“SEC. 4912. MULTI-YEAR PLAN FOR CLEAN-UP.”**; and

11 (ii) by striking “(e) MULTI-YEAR PLAN
12 FOR CLEAN-UP AT SAVANNAH RIVER
13 SITE.—The Secretary” and inserting “The
14 Secretary of Energy”.

15 (10) CONTINUATION OF PROCESSING, TREAT-
16 MENT, AND DISPOSAL OF LEGACY NUCLEAR MATE-
17 RIALS.—

18 (A) FISCAL YEAR 2001.—Subsection (a) of
19 section 3137 of the Floyd D. Spence National
20 Defense Authorization Act for Fiscal Year 2001
21 (as enacted into law by Public Law 106–398;
22 114 Stat 1654A–460) is—

23 (i) transferred to title XLIX of division
24 D of the Bob Stump National Defense Au-

1 *thorization Act for Fiscal Year 2003, as*
2 *amended by this subsection;*

3 *(ii) inserted after section 4912, as*
4 *added by paragraph (9); and*

5 *(iii) amended—*

6 *(I) by inserting before the text the*
7 *following new section heading:*

8 ***“SEC. 4913. CONTINUATION OF PROCESSING, TREATMENT,***
9 ***AND DISPOSAL OF LEGACY NUCLEAR MATE-***
10 ***RIALS.”; and***

11 *(II) by striking “(a) CONTINU-*
12 *ATION.—”.*

13 *(B) FISCAL YEAR 2000.—Section 3132 of*
14 *the National Defense Authorization Act for Fis-*
15 *cal Year 2000 (Public Law 106–65; 113 Stat.*
16 *924) is—*

17 *(i) transferred to title XLIX of division*
18 *D of the Bob Stump National Defense Au-*
19 *thorization Act for Fiscal Year 2003, as*
20 *amended by this subsection;*

21 *(ii) redesignated as section 4913A; and*

22 *(iii) inserted after section 4913, as*
23 *added by subparagraph (A).*

24 *(C) FISCAL YEAR 1999.—Section 3135 of*
25 *the Strom Thurmond National Defense Author-*

1 *ization Act for Fiscal Year 1999 (Public Law*
2 *105–261; 112 Stat. 2248) is—*

3 *(i) transferred to title XLIX of division*
4 *D of the Bob Stump National Defense Au-*
5 *thorization Act for Fiscal Year 2003, as*
6 *amended by this subsection;*

7 *(ii) redesignated as section 4913B; and*

8 *(iii) inserted after section 4913A, as*
9 *added by subparagraph (B).*

10 *(D) FISCAL YEAR 1998.—Subsection (b) of*
11 *section 3136 of the National Defense Authoriza-*
12 *tion Act for Fiscal Year 1998 (Public Law 105–*
13 *85; 111 Stat. 2038) is—*

14 *(i) transferred to title XLIX of division*
15 *D of the Bob Stump National Defense Au-*
16 *thorization Act for Fiscal Year 2003, as*
17 *amended by this subsection;*

18 *(ii) inserted after section 4913B, as*
19 *added by subparagraph (C); and*

20 *(iii) amended—*

21 *(I) by inserting before the text the*
22 *following new section heading:*

1 **“SEC. 4913C. CONTINUATION OF PROCESSING, TREATMENT,**
 2 **AND DISPOSAL OF LEGACY NUCLEAR MATE-**
 3 **RIALS.”; and**

4 (II) by striking “(b) REQUIRE-
 5 MENT FOR CONTINUING OPERATIONS
 6 AT SAVANNAH RIVER SITE.—”.

7 (E) FISCAL YEAR 1997.—Subsection (f) of
 8 section 3142 of the National Defense Authoriza-
 9 tion Act for Fiscal Year 1997 (Public Law 104-
 10 201; 110 Stat. 2836) is—

11 (i) transferred to title XLIX of division
 12 D of the Bob Stump National Defense Au-
 13 thorization Act for Fiscal Year 2003, as
 14 amended by this subsection;

15 (ii) inserted after section 4913C, as
 16 added by subparagraph (D); and

17 (iii) amended—

18 (I) by inserting before the text the
 19 following new section heading:

20 **“SEC. 4913D. CONTINUATION OF PROCESSING, TREATMENT,**
 21 **AND DISPOSAL OF LEGACY NUCLEAR MATE-**
 22 **RIALS.”;**

23 (II) by striking “(f) REQUIRE-
 24 MENT FOR CONTINUING OPERATIONS
 25 AT SAVANNAH RIVER SITE.—The Sec-

1 retary” and inserting “The Secretary
2 of Energy”; and

3 (III) by striking “subsection (e)”
4 and inserting “section 4912”.

5 (11) *LIMITATION ON USE OF FUNDS FOR DECOM-*
6 *MISSIONING F-CANYON FACILITY.*—Subsection (b) of
7 section 3137 of the Floyd D. Spence National Defense
8 Authorization Act for Fiscal Year 2001 (as enacted
9 into law by Public Law 106–398; 114 Stat. 1654A–
10 460) is—

11 (A) transferred to title XLIX of division D
12 of the Bob Stump National Defense Authoriza-
13 tion Act for Fiscal Year 2003, as amended by
14 this subsection;

15 (B) inserted after section 4913D, as added
16 by paragraph (10)(E); and

17 (C) amended—

18 (i) by inserting before the text the fol-
19 lowing new section heading:

20 **“SEC. 4914. LIMITATION ON USE OF FUNDS FOR DECOMMIS-**
21 **SIONING F-CANYON FACILITY.”;**

22 (ii) by striking “(b) *LIMITATION ON*
23 *USE OF FUNDS FOR DECOMMISSIONING F-*
24 *CANYON FACILITY.*—”;

1 (iii) by striking “this or any other
2 Act” and inserting “the Floyd D. Spence
3 National Defense Authorization Act for Fis-
4 cal Year 2001 (as enacted into law by Pub-
5 lic Law 106–398) or any other Act”; and

6 (iv) by striking “the Secretary” in the
7 matter preceding paragraph (1) and insert-
8 ing “the Secretary of Energy”.

9 (12) *DISPOSITION OF PLUTONIUM.*—

10 (A) *DISPOSITION OF WEAPONS USABLE PLU-*
11 *TONIUM.*—Section 3182 of the Bob Stump Na-
12 tional Defense Authorization Act for Fiscal Year
13 2003 (Public Law 107–314; 116 Stat. 2747) is—

14 (i) transferred to title XLIX of division
15 D of such Act, as amended by this sub-
16 section;

17 (ii) redesignated as section 4915; and

18 (iii) inserted after section 4914, as
19 added by paragraph (11).

20 (B) *DISPOSITION OF SURPLUS DEFENSE*
21 *PLUTONIUM.*—Section 3155 of the National De-
22 fense Authorization Act for Fiscal Year 2002
23 (Public Law 107–107; 115 Stat. 1378) is—

24 (i) transferred to title XLIX of division
25 D of the Bob Stump National Defense Au-

1 *thorization Act for Fiscal Year 2003, as*
2 *amended by this subsection;*

3 *(ii) redesignated as section 4915A; and*

4 *(iii) inserted after section 4915, as*
5 *added by subparagraph (A).*

6 (13) *SUBTITLE HEADING ON OTHER FACILI-*
7 *TIES.—Title XLIX of division D of the Bob Stump*
8 *National Defense Authorization Act for Fiscal Year*
9 *2003, as amended by this subsection, is further*
10 *amended by adding at the end the following new sub-*
11 *title heading:*

12 **“Subtitle C—Other Facilities”.**

13 (14) *PAYMENT OF COSTS OF OPERATION AND*
14 *MAINTENANCE OF INFRASTRUCTURE AT NEVADA TEST*
15 *SITE.—Section 3144 of the National Defense Author-*
16 *ization Act for Fiscal Year 1997 (Public Law 104–*
17 *201; 110 Stat. 2838) is—*

18 *(A) transferred to title XLIX of division D*
19 *of such Act, as amended by this subsection;*

20 *(B) redesignated as section 4921; and*

21 *(C) inserted after the heading for subtitle C*
22 *of such title, as added by paragraph (13).*

23 (m) *CONFORMING AMENDMENTS.—(1) Title XXXVI of*
24 *the Bob Stump National Defense Authorization Act for Fis-*

1 *cal Year 2003 (Public Law 107–314; 116 Stat. 1756) is*
 2 *repealed.*

3 (2) *Subtitle E of title XXXI of the National Defense*
 4 *Authorization Act for Fiscal Year 1993 (Public Law 102–*
 5 *484; 42 U.S.C. 7274h et seq.) is repealed.*

6 (3) *Section 8905a(d)(5)(A) of title 5, United States*
 7 *Code, is amended by striking “section 3143 of the National*
 8 *Defense Authorization Act for Fiscal Year 1997 (42 U.S.C.*
 9 *7274n)” and inserting “section 4421 of the Atomic Energy*
 10 *Defense Act”.*

11 **TITLE XXXII—DEFENSE NU-**
 12 **CLEAR FACILITIES SAFETY**
 13 **BOARD**

14 **SEC. 3201. AUTHORIZATION.**

15 *There are authorized to be appropriated for fiscal year*
 16 *2004, \$19,559,000 for the operation of the Defense Nuclear*
 17 *Facilities Safety Board under chapter 21 of the Atomic En-*
 18 *ergy Act of 1954 (42 U.S.C. 2286 et seq.).*

19 **TITLE XXXIII—NATIONAL**
 20 **DEFENSE STOCKPILE**

21 **SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE**
 22 **STOCKPILE FUNDS.**

23 (a) *OBLIGATION OF STOCKPILE FUNDS.—During fis-*
 24 *cal year 2004, the National Defense Stockpile Manager may*
 25 *obligate up to \$69,701,000 of the funds in the National De-*

1 *fense Stockpile Transaction Fund established under sub-*
2 *section (a) of section 9 of the Strategic and Critical Mate-*
3 *rials Stock Piling Act (50 U.S.C. 98h) for the authorized*
4 *uses of such funds under subsection (b)(2) of such section,*
5 *including the disposal of hazardous materials that are envi-*
6 *ronmentally sensitive.*

7 **(b) ADDITIONAL OBLIGATIONS.**—*The National Defense*
8 *Stockpile Manager may obligate amounts in excess of the*
9 *amount specified in subsection (a) if the National Defense*
10 *Stockpile Manager notifies Congress that extraordinary or*
11 *emergency conditions necessitate the additional obligations.*
12 *The National Defense Stockpile Manager may make the ad-*
13 *ditional obligations described in the notification after the*
14 *end of the 45-day period beginning on the date on which*
15 *Congress receives the notification.*

16 **(c) LIMITATIONS.**—*The authorities provided by this*
17 *section shall be subject to such limitations as may be pro-*
18 *vided in appropriations Acts.*

19 **SEC. 3302. REVISIONS TO OBJECTIVES FOR RECEIPTS FOR**
20 **FISCAL YEAR 2000 DISPOSALS.**

21 **(a) IN GENERAL.**—*Section 3402(b) of the National De-*
22 *fense Authorization Act for Fiscal Year 2000 (Public Law*
23 *106–65; 113 Stat. 972; 59 U.S.C. 98d note) is amended—*

24 **(1)** *by striking “and” at the end of paragraph*
25 **(2); and**

1 (2) *by striking paragraph (3) and inserting the*
2 *following new paragraphs:*

3 “(3) \$310,000,000 before the end of fiscal year
4 2008; and

5 “(4) \$320,000,000 before the end of fiscal year
6 2009.”.

7 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
8 *section (a) shall take effect on October 1, 2003, or the date*
9 *of the enactment of this Act, whichever is later.*

10 ***TITLE XXXIV—NAVAL***
11 ***PETROLEUM RESERVES***

12 ***SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.***

13 (a) *AMOUNT.*—*There are hereby authorized to be ap-*
14 *propriated to the Secretary of Energy \$16,500,000 for fiscal*
15 *year 2004 for the purpose of carrying out activities under*
16 *chapter 641 of title 10, United States Code, relating to the*
17 *naval petroleum reserves.*

18 (b) *PERIOD OF AVAILABILITY.*—*Funds appropriated*
19 *pursuant to the authorization of appropriations in sub-*
20 *section (a) shall remain available until expended.*

1 **TITLE XXXV—MARITIME**
2 **ADMINISTRATION**
3 **Subtitle A—General Provisions**

4 **SEC. 3501. SHORT TITLE.**

5 *This title may be cited as the “Maritime Security Act*
6 *of 2003”.*

7 **SEC. 3502. DEFINITIONS.**

8 *In this subtitle:*

9 (1) *BULK CARGO.*—*The term “bulk cargo” means*
10 *cargo that is loaded and carried in bulk without*
11 *mark or count.*

12 (2) *CONTRACTOR.*—*The term “contractor” means*
13 *an owner or operator of a vessel that enters into an*
14 *operating agreement for the vessel with the Secretary*
15 *under section 3512.*

16 (3) *FLEET.*—*The term “Fleet” means the Mari-*
17 *time Security Fleet established under section 3511(a).*

18 (4) *FOREIGN COMMERCE.*—*The term “foreign*
19 *commerce”—*

20 (A) *subject to subparagraph (B), means*
21 *commerce or trade between the United States, its*
22 *territories or possessions, or the District of Co-*
23 *lumbia, and a foreign country; and*

24 (B) *includes, in the case of liquid and dry*
25 *bulk cargo carrying services, trading between for-*

1 *eign ports in accordance with normal commer-*
2 *cial bulk shipping practices in such manner as*
3 *will permit United States-documented vessels*
4 *freely to compete with foreign-flag bulk carrying*
5 *vessels in their operation or in competing for*
6 *charters, subject to rules and regulations promul-*
7 *gated by the Secretary of Transportation pursu-*
8 *ant to subtitle B or C.*

9 (5) *FORMER PARTICIPATING FLEET VESSEL.*—

10 *The term “former participating fleet vessel” means—*

11 (A) *any vessel that—*

12 (i) *on October 1, 2005—*

13 (I) *will meet the requirements of*
14 *paragraph (1), (2), (3), or (4) of sec-*
15 *tion 3511(c); and*

16 (II) *will be less than 25 years of*
17 *age, or less than 30 years of age in the*
18 *case of a LASH vessel; and*

19 (ii) *on December 31, 2003, is covered*
20 *by an operating agreement under subtitle B*
21 *of title VI of the Merchant Marine Act, 1936*
22 *(46 App. U.S.C. 1187 et seq.); and*

23 (B) *any vessel that—*

24 (i) *is a replacement for a vessel de-*
25 *scribed in subparagraph (A);*

1 (ii) is controlled by the person that
2 controls such replaced vessel;

3 (iii) is eligible to be included in the
4 Fleet under section 3511(b);

5 (iv) is approved by the Secretary and
6 the Secretary of Defense; and

7 (v) begins operation under an oper-
8 ating agreement under subtitle B by not
9 later than the end of the 30-month period
10 beginning on the date the operating agree-
11 ment is entered into by the Secretary.

12 (6) *LASH VESSEL*.—The term “LASH vessel”
13 means a lighter aboard ship vessel.

14 (7) *PERSON*.—The term “person” includes cor-
15 porations, partnerships, and associations existing
16 under or authorized by the laws of the United States,
17 or any State, Territory, District, or possession there-
18 of, or of any foreign country.

19 (8) *PRODUCT TANK VESSEL*.—The term “product
20 tank vessel” means a double hulled tank vessel capable
21 of carrying simultaneously more than 2 separated
22 grades of refined petroleum products.

23 (9) *SECRETARY*.—The term “Secretary” means
24 the Secretary of Transportation.

1 (10) *UNITED STATES.*—The term “United
2 *States*” includes the District of Columbia, the Com-
3 *monwealth of Puerto Rico, the Northern Mariana Is-*
4 *lands, Guam, American Samoa, the Virgin Islands.*

5 (11) *UNITED STATES-DOCUMENTED VESSEL.*—
6 The term “United States-documented vessel” means a
7 vessel documented under chapter 121 of title 46,
8 United States Code.

9 ***Subtitle B—Maritime Security Fleet***

10 ***SEC. 3511. ESTABLISHMENT OF MARITIME SECURITY FLEET.***

11 (a) *IN GENERAL.*—The Secretary of Transportation
12 shall establish a fleet of active, militarily useful, privately
13 owned vessels to meet national defense and other security
14 requirements and maintain a United States presence in
15 international commercial shipping. The Fleet shall consist
16 of privately owned, United States-documented vessels for
17 which there are in effect operating agreements under this
18 subtitle, and shall be known as the Maritime Security Fleet.

19 (b) *VESSEL ELIGIBILITY.*—A vessel is eligible to be in-
20 cluded in the Fleet if—

21 (1) the vessel meets the requirements of para-
22 graph (1), (2), (3), or (4) of subsection (c);

23 (2) the vessel is operated (or in the case of a ves-
24 sel to be constructed, will be operated) in providing
25 transportation in foreign commerce;

1 (3) *the vessel is self-propelled and is—*

2 (A) *a roll-on/roll-off vessel with a carrying*
3 *capacity of at least 80,000 square feet or 500*
4 *twenty-foot equivalent units and that is 15 years*
5 *of age or less on the date the vessel is included*
6 *in the Fleet;*

7 (B) *a tank vessel that is constructed in the*
8 *United States after the date of the enactment of*
9 *this subtitle;*

10 (C) *a tank vessel that is 10 years of age or*
11 *less on the date the vessel is included in the*
12 *Fleet;*

13 (D) *a LASH vessel that is 25 years of age*
14 *or less on the date the vessel is included in the*
15 *Fleet; or*

16 (E) *any other type of vessel that is 15 years*
17 *of age or less on the date the vessel is included*
18 *in the Fleet;*

19 *except that the Secretary of Transportation shall*
20 *waive the application of an age restriction under this*
21 *paragraph if the waiver is requested by the Secretary*
22 *of Defense;*

23 (4) *the vessel is determined by the Secretary of*
24 *Defense to be suitable for use by the United States for*

1 *national defense or military purposes in time of war*
2 *or national emergency; and*

3 (5) *the vessel—*

4 (A) *is a United States-documented vessel; or*

5 (B) *is not a United States-documented ves-*
6 *sel, but—*

7 (i) *the owner of the vessel has dem-*
8 *onstrated an intent to have the vessel docu-*
9 *mented under chapter 121 of title 46,*
10 *United States Code, if it is included in the*
11 *Fleet; and*

12 (ii) *at the time an operating agree-*
13 *ment for the vessel is entered into under this*
14 *subtitle, the vessel is eligible for documenta-*
15 *tion under chapter 121 of title 46, United*
16 *States Code.*

17 (c) *REQUIREMENTS REGARDING CITIZENSHIP OF*
18 *OWNERS AND CHARTERERS.—*

19 (1) *VESSEL OWNED AND OPERATED BY SECTION*
20 2 *CITIZENS.—A vessel meets the requirements of this*
21 *paragraph if, during the period of an operating*
22 *agreement under this subtitle that applies to the ves-*
23 *sel, the vessel will be owned and operated by persons*
24 *one or more persons that are citizens of the United*

1 *States under section 2 of the Shipping Act, 1916 (46*
2 *App. U.S.C. 802).*

3 (2) *VESSEL OWNED BY SECTION 2 CITIZEN AND*
4 *CHARTERED TO DOCUMENTATION CITIZEN.—A vessel*
5 *meets the requirements of this paragraph if—*

6 (A) *during the period of an operating agree-*
7 *ment under this subtitle that applies to the ves-*
8 *sel, the vessel will be—*

9 (i) *owned by a person that is a citizen*
10 *of the United States under section 2 of the*
11 *Shipping Act, 1916 (46 App. U.S.C. 802);*
12 *and*

13 (ii) *demise chartered to a person—*

14 (I) *that is eligible to document the*
15 *vessel under chapter 121 of title 46,*
16 *United States Code;*

17 (II) *the chairman of the board of*
18 *directors, chief executive officer, and a*
19 *majority of the members of the board of*
20 *directors of which are citizens of the*
21 *United States under section 2 of the*
22 *Shipping Act, 1916 (46 App. U.S.C.*
23 *802), and are appointed and subjected*
24 *to removal only upon approval by the*
25 *Secretary; and*

1 (III) that certifies that there are
2 no treaties, statutes, regulations, or
3 other laws that would prohibit the con-
4 tractor for the vessel from performing
5 its obligations under an operating
6 agreement under this subtitle; and

7 (B) in the case of a vessel that will be char-
8 tered to a person that is owned or controlled by
9 another person that is not a citizen of the United
10 States under section 2 of the Shipping Act, 1916
11 (46 App. U.S.C. 802), the other person enters
12 into an agreement with the Secretary not to in-
13 fluence the operation of the vessel in a manner
14 that will adversely affect the interests of the
15 United States.

16 (3) *VESSEL OWNED AND OPERATED BY DEFENSE*
17 *CONTRACTOR.*—A vessel meets the requirements of this
18 paragraph if, during the period of an operating
19 agreement under this subtitle that applies to the ves-
20 sel, the vessel will be owned and operated by one or
21 more persons that—

22 (A) are eligible to document a vessel under
23 chapter 121 of title 46, United States Code;

24 (B) operates or manages other United
25 States-documented vessels for the Secretary of

1 *Defense, or charters other vessels to the Secretary*
2 *of Defense;*

3 *(C) has entered into a Special Security*
4 *Agreement for purposes of this paragraph with*
5 *the Secretary of Defense;*

6 *(D) makes the certification described in*
7 *paragraph (2)(A)(ii)(III); and*

8 *(E) in the case of a vessel described in*
9 *paragraph (2)(B), enters into an agreement re-*
10 *ferred to in that paragraph.*

11 (4) *VESSEL OWNED BY DOCUMENTATION CITIZEN*
12 *AND CHARTERED TO SECTION 2 CITIZEN.—A vessel*
13 *meets the requirements of this paragraph if, during*
14 *the period of an operating agreement under this sub-*
15 *title that applies to the vessel, the vessel will be—*

16 *(A) owned by a person that is eligible to*
17 *document a vessel under chapter 121 of title 46,*
18 *United States Code; and*

19 *(B) demise chartered to a person that is a*
20 *citizen of the United States under section 2 of*
21 *the Shipping Act, 1916 (46 App. U.S.C. 802).*

22 (d) *REQUEST BY SECRETARY OF DEFENSE.—The Sec-*
23 *retary of Defense shall request the Secretary of Homeland*
24 *Security to issue any waiver under the first section of Pub-*

1 *lic Law 81–891 (64 Stat. 1120; 46 App. U.S.C. note prec.*
2 *3) that is necessary for purposes of this subtitle.*

3 **SEC. 3512. AWARD OF OPERATING AGREEMENTS.**

4 (a) *IN GENERAL.*—*The Secretary shall require, as a*
5 *condition of including any vessel in the Fleet, that the per-*
6 *son that is the owner or charterer of the vessel for purposes*
7 *of section 3511(c) enter into an operating agreement with*
8 *the Secretary under this section.*

9 (b) *PROCEDURE FOR APPLICATIONS.*—

10 (1) *ACCEPTANCE OF APPLICATIONS.*—*Beginning*
11 *no later than 30 days after the effective date of this*
12 *subtitle, the Secretary shall accept applications for*
13 *enrollment of vessels in the Fleet.*

14 (2) *ACTION ON APPLICATIONS.*—*Within 90 days*
15 *after receipt of an application for enrollment of a ves-*
16 *sel in the Fleet, the Secretary shall enter into an oper-*
17 *ating agreement with the applicant or provide in*
18 *writing the reason for denial of that application.*

19 (c) *PRIORITY FOR AWARDED AGREEMENTS.*—

20 (1) *IN GENERAL.*—*Subject to the availability of*
21 *appropriations, the Secretary shall enter into oper-*
22 *ating agreements according to the following priority:*

23 (A) *NEW TANK VESSELS.*—*First, for any*
24 *tank vessel that—*

1 (i) is constructed in the United States
2 after the effective date of this subtitle;

3 (ii) is eligible to be included in the
4 Fleet under section 3511(b); and

5 (iii) during the period of an operating
6 agreement under this subtitle that applies to
7 the vessel, will be owned and operated by
8 one or more persons that are citizens of the
9 United States under section 2 of the Ship-
10 ping Act, 1916 (46 App. U.S.C. 802),

11 except that the Secretary shall not enter into op-
12 erating agreements under this subparagraph for
13 more than 5 such vessels.

14 (B) FORMER PARTICIPATING VESSELS.—

15 Second, to the extent amounts are available after
16 applying subparagraphs (A), for any former
17 participating fleet vessel, except that the Sec-
18 retary shall not enter into operating agreements
19 under this subparagraph for more than 47 ves-
20 sels.

21 (C) CERTAIN VESSELS OPERATED BY SEC-

22 TION 2 CITIZENS.—Third, to the extent amounts
23 are available after applying subparagraphs (A)
24 and (B), for any other vessel that is eligible to
25 be included in the Fleet under section 3511(b),

1 *and that, during the period of an operating*
2 *agreement under this subtitle that applies to the*
3 *vessel, will be—*

4 *(i) owned and operated by one or more*
5 *persons that are citizens of the United*
6 *States under section 2 of the Shipping Act,*
7 *1916 (46 App. U.S.C. 802); or*

8 *(ii) owned by a person that is eligible*
9 *to document the vessel under chapter 121 of*
10 *title 46, United States Code, and operated*
11 *by a person that is a citizen of the United*
12 *States under section 2 of the Shipping Act,*
13 *1916 (46 App. U.S.C. 802).*

14 *(D) OTHER ELIGIBLE VESSELS.—Fourth, to*
15 *the extent amounts are available after applying*
16 *subparagraphs (A), (B), and (C), for any other*
17 *vessel that is eligible to be included in the Fleet*
18 *under section 3511(b).*

19 *(2) REDUCTION IN NUMBER OF SLOTS FOR*
20 *FORMER PARTICIPATING FLEET VESSELS.—The num-*
21 *ber in paragraph (1)(B) shall be reduced by 1—*

22 *(A) for each former participating fleet vessel*
23 *for which an application for enrollment in the*
24 *Fleet is not received by the Secretary within the*

1 90-day period beginning on the effective date of
2 this subtitle; and

3 (B) for each former participating fleet vessel
4 for which an application for enrollment in the
5 Fleet received by the Secretary is not approved
6 by the Secretary of Defense within the 90-day
7 period beginning on the date of such receipt.

8 (3) *DISCRETION WITHIN PRIORITY.*—The Sec-
9 retary—

10 (A) subject to subparagraph (B), may
11 award operating agreements within each pri-
12 ority under paragraph (1) as the Secretary con-
13 siders appropriate; and

14 (B) shall award operating agreement within
15 a priority—

16 (i) in accordance with operational re-
17 quirements specified by the Secretary of De-
18 fense; and

19 (ii) subject to the approval of the Sec-
20 retary of Defense.

21 (4) *TREATMENT OF TANK VESSEL TO BE RE-*
22 *PLACED.*—(A) For purposes of the application of
23 paragraph (1)(A) with respect to the award of an op-
24 erating agreement, the Secretary may treat an exist-
25 ing tank vessel that is eligible to be included in the

1 *Fleet under section 3511(b) as a vessel that is con-*
2 *structed in the United States after the effective date*
3 *of this subtitle, if—*

4 *(i) a binding contract for construction in*
5 *the United States of a replacement vessel to be*
6 *operated under the operating agreement is exe-*
7 *cuted by not later than 9 months after the first*
8 *date amounts are available to carry out this sub-*
9 *title; and*

10 *(ii) the replacement vessel is eligible to be*
11 *included in the Fleet under section 3511(b).*

12 *(B) No payment under this subtitle may be*
13 *made for an existing tank vessel for which an oper-*
14 *ating agreement is awarded under this paragraph*
15 *after the earlier of—*

16 *(i) 4 years after the first date amounts are*
17 *available to carry out this subtitle; or*

18 *(ii) the date of delivery of the replacement*
19 *tank vessel.*

20 *(d) LIMITATION.—The Secretary may not award oper-*
21 *ating agreements under this subtitle that require payments*
22 *under section 3515 for a fiscal year for more than 60 vessels.*

23 **SEC. 3513. EFFECTIVENESS OF OPERATING AGREEMENTS.**

24 *(a) EFFECTIVENESS, GENERALLY.—The Secretary*
25 *may enter into an operating agreement under this subtitle*

1 *for fiscal year 2006. Except as provided in subsection (b),*
2 *the agreement shall be effective only for 1 fiscal year, but*
3 *shall be renewable, subject to the availability of appropri-*
4 *ations, for each subsequent fiscal year through the end of fis-*
5 *cal year 2015.*

6 **(b) VESSELS UNDER CHARTER TO U.S.**—*Unless an*
7 *earlier date is requested by the applicant, the effective date*
8 *for an operating agreement with respect to a vessel that is,*
9 *on the date of entry into an operating agreement, on charter*
10 *to the United States Government, other than a charter pur-*
11 *suant to an Emergency Preparedness Agreement under sec-*
12 *tion 3516, shall be the expiration or termination date of*
13 *the Government charter covering the vessel, or any earlier*
14 *date the vessel is withdrawn from that charter.*

15 **(c) TERMINATION.**—

16 **(1) IN GENERAL.**—*If the contractor with respect*
17 *to an operating agreement fails to comply with the*
18 *terms of the agreement—*

19 **(A)** *the Secretary shall terminate the oper-*
20 *ating agreement; and*

21 **(B)** *any budget authority obligated by the*
22 *agreement shall be available to the Secretary to*
23 *carry out this subtitle.*

24 **(2) EARLY TERMINATION.**—*An operating agree-*
25 *ment under this subtitle shall terminate on a date*

1 *specified by the contractor if the contractor notifies*
2 *the Secretary, by not later than 60 days before the ef-*
3 *fective date of the termination, that the contractor in-*
4 *tends to terminate the agreement.*

5 *(d) NONRENEWAL FOR LACK OF FUNDS.—*

6 *(1) NOTIFICATION OF CONGRESS.—If, by the first*
7 *day of a fiscal year, sufficient funds have not been*
8 *appropriated under the authority provided by this*
9 *subtitle for that fiscal year, then the Secretary shall*
10 *notify the Congress that operating agreements author-*
11 *ized under this subtitle for which sufficient funds are*
12 *not available will not be renewed for that fiscal year*
13 *if sufficient funds are not appropriated by the 60th*
14 *day of that fiscal year.*

15 *(2) RELEASE OF VESSELS FROM OBLIGATIONS.—*
16 *If funds are not appropriated under the authority*
17 *provided by this subtitle for any fiscal year by the*
18 *60th day of that fiscal year, then each vessel covered*
19 *by an operating agreement under this subtitle for*
20 *which funds are not available—*

21 *(A) is thereby released from any further ob-*
22 *ligation under the operating agreement;*

23 *(B) the owner or operator of the vessel may*
24 *transfer and register such vessel under a foreign*
25 *registry that is acceptable to the Secretary of*

1 *Transportation and the Secretary of Defense,*
2 *notwithstanding section 9 of the Shipping Act,*
3 *1916 (46 App. U.S.C. 808); and*

4 *(C) if section 902 of the Merchant Marine*
5 *Act, 1936 (46 App. U.S.C. 1242) is applicable to*
6 *such vessel after registration of the vessel under*
7 *such a registry, then the vessel is available to be*
8 *requisitioned by the Secretary of Transportation*
9 *pursuant to section 902 of such Act.*

10 ***SEC. 3514. OBLIGATIONS AND RIGHTS UNDER OPERATING***
11 ***AGREEMENTS.***

12 *(a) OPERATION OF VESSEL.—An operating agreement*
13 *under this subtitle shall require that, during the period a*
14 *vessel is operating under the agreement—*

15 *(1) the vessel—*

16 *(A) shall be operated exclusively in the for-*
17 *ign commerce or in mixed foreign commerce*
18 *and domestic trade allowed under a registry en-*
19 *dorsement issued under section 12105 of title 46,*
20 *United States Code; and*

21 *(B) shall not otherwise be operated in the*
22 *coastwise trade; and*

23 *(2) the vessel shall be documented under chapter*
24 *121 of title 46, United States Code.*

25 *(b) ANNUAL PAYMENTS BY SECRETARY.—*

1 (1) *IN GENERAL.*—*An operating agreement*
2 *under this subtitle shall require, subject to the avail-*
3 *ability of appropriations, that the Secretary make a*
4 *payment each fiscal year to the contractor in accord-*
5 *ance with section 3515.*

6 (2) *OPERATING AGREEMENT IS OBLIGATION OF*
7 *UNITED STATES GOVERNMENT.*—*An operating agree-*
8 *ment under this subtitle constitutes a contractual ob-*
9 *ligation of the United States Government to pay the*
10 *amounts provided for in the agreement to the extent*
11 *of actual appropriations.*

12 (c) *DOCUMENTATION REQUIREMENT.*—*Each vessel*
13 *covered by an operating agreement (including an agreement*
14 *terminated under section 3513(c)(2)) shall remain docu-*
15 *mented under chapter 121 of title 46, United States Code,*
16 *until the date the operating agreement would terminate ac-*
17 *ording to its terms.*

18 (d) *NATIONAL SECURITY REQUIREMENTS.*—

19 (1) *IN GENERAL.*—*A contractor with respect to*
20 *an operating agreement (including an agreement ter-*
21 *minated under section 3513(c)(2)) shall continue to be*
22 *bound by the provisions of section 3516 until the date*
23 *the operating agreement would terminate according to*
24 *its terms.*

1 (2) *EMERGENCY PREPAREDNESS AGREEMENT.*—
2 *All terms and conditions of an Emergency Prepared-*
3 *ness Agreement entered into under section 3516 shall*
4 *remain in effect until the date the operating agree-*
5 *ment would terminate according to its terms, except*
6 *that the terms of such Emergency Preparedness Agree-*
7 *ment may be modified by the mutual consent of the*
8 *contractor and the Secretary of Transportation and*
9 *the Secretary of Defense.*

10 (e) *TRANSFER OF OPERATING AGREEMENTS.*—*A con-*
11 *tractor under an operating agreement may transfer the*
12 *agreement (including all rights and obligations under the*
13 *agreement) to any person that is eligible to enter into that*
14 *operating agreement under this subtitle, if the transfer is*
15 *approved by the Secretary and the Secretary of Defense.*

16 ***SEC. 3515. PAYMENTS.***

17 (a) *ANNUAL PAYMENT.*—

18 (1) *IN GENERAL.*—*The Secretary, subject to the*
19 *availability of appropriations and the other provi-*
20 *sions of this section, shall pay to the contractor for*
21 *an operating agreement, for each vessel that is covered*
22 *by the operating agreement, an amount equal to—*

23 (A) *\$2,600,000 for each of fiscal years 2006*
24 *and 2007, and*

1 (B) such amount, not less than \$2,600,000,
2 for each fiscal year thereafter for which the
3 agreement is in effect as the Secretary, with the
4 concurrence of the Secretary of Defense, considers
5 to be necessary to meet the operational require-
6 ments of the Secretary of Defense.

7 (2) *TIMING.*—The amount shall be paid in equal
8 monthly installments at the end of each month. The
9 amount shall not be reduced except as provided by
10 this section.

11 (b) *CERTIFICATION REQUIRED FOR PAYMENT.*—As a
12 condition of receiving payment under this section for a fis-
13 cal year for a vessel, the contractor for the vessel shall cer-
14 tify, in accordance with regulations issued by the Secretary,
15 that the vessel has been and will be operated in accordance
16 with section 3514(a)(1) for at least 320 days in the fiscal
17 year. Days during which the vessel is drydocked, surveyed,
18 inspected, or repaired shall be considered days of operation
19 for purposes of this subsection.

20 (c) *LIMITATIONS.*—The Secretary of Transportation
21 shall not make any payment under this subtitle for a vessel
22 with respect to any days for which the vessel is—

23 (1) under a charter to the United States Govern-
24 ment, other than a charter pursuant to an Emergency
25 Preparedness Agreement under section 3516;

1 (2) *not operated or maintained in accordance*
2 *with an operating agreement under this subtitle; or*

3 (3) *more than—*

4 (A) *25 years of age, except as provided in*
5 *subparagraph (B) or (C);*

6 (B) *20 years of age, in the case of a tank*
7 *vessel; or*

8 (C) *30 years of age, in the case of a LASH*
9 *vessel.*

10 (d) *REDUCTIONS IN PAYMENTS.—With respect to pay-*
11 *ments under this subtitle for a vessel covered by an oper-*
12 *ating agreement, the Secretary—*

13 (1) *except as provided in paragraph (2), shall*
14 *not reduce any payment for the operation of the vessel*
15 *to carry military or other preference cargoes under*
16 *section 2631 of title 10, United States Code, the Act*
17 *of March 26, 1934 (46 App. U.S.C. 1241–1), section*
18 *901(a), 901(b), or 901b of the Merchant Marine Act,*
19 *1936 (46 App. U.S.C. 1241(a), 1241(b), or 1241f), or*
20 *any other cargo preference law of the United States;*

21 (2) *shall not make any payment for any day*
22 *that the vessel is engaged in transporting more than*
23 *7,500 tons of civilian bulk preference cargoes pursu-*
24 *ant to section 901(a), 901(b), or 901b of the Merchant*

1 *Marine Act, 1936 (46 App. U.S.C. 1241(a), 1241(b),*
2 *or 1241f), that is cargo; and*

3 *(3) shall make a pro rata reduction in payment*
4 *for each day less than 320 in a fiscal year that the*
5 *vessel is not operated in accordance with section*
6 *3514(a)(1), with days during which the vessel is*
7 *drydocked or undergoing survey, inspection, or repair*
8 *considered to be days on which the vessel is operated.*

9 **SEC. 3516. NATIONAL SECURITY REQUIREMENTS.**

10 *(a) EMERGENCY PREPAREDNESS AGREEMENT RE-*
11 *QUIRED.—The Secretary shall establish an Emergency Pre-*
12 *paredness Program under this section that is approved by*
13 *the Secretary of Defense. Under the program, the Secretary*
14 *shall include in each operating agreement under this sub-*
15 *title a requirement that the contractor enter into an Emer-*
16 *gency Preparedness Agreement under this section with the*
17 *Secretary. The Secretary shall negotiate and enter into an*
18 *Emergency Preparedness Agreement with each contractor as*
19 *promptly as practicable after the contractor has entered*
20 *into an operating agreement under this subtitle.*

21 *(b) TERMS OF AGREEMENT.—*

22 *(1) IN GENERAL.—An Emergency Preparedness*
23 *Agreement under this section shall require that upon*
24 *a request by the Secretary of Defense during time of*
25 *war or national emergency, or whenever determined*

1 *by the Secretary of Defense to be necessary for na-*
2 *tional security or contingency operation (as that term*
3 *is defined in section 101 of title 10, United States*
4 *Code), a contractor for a vessel covered by an oper-*
5 *ating agreement under this subtitle shall make avail-*
6 *able commercial transportation resources (including*
7 *services).*

8 (2) *BASIC TERMS.—(A) The basic terms of the*
9 *Emergency Preparedness Agreement shall be estab-*
10 *lished (subject to subparagraph (B)) pursuant to con-*
11 *sultations among the Secretary and the Secretary of*
12 *Defense.*

13 (B) *In any Emergency Preparedness Agreement,*
14 *the Secretary and a contractor may agree to addi-*
15 *tional or modifying terms appropriate to the contrac-*
16 *tor's circumstances if those terms have been approved*
17 *by the Secretary of Defense.*

18 (c) *PARTICIPATION AFTER EXPIRATION OF OPERATING*
19 *AGREEMENT.—Except as provided by section 3514(c), the*
20 *Secretary may not require, through an Emergency Pre-*
21 *paredness Agreement or operating agreement, that a con-*
22 *tractor continue to participate in an Emergency Prepared-*
23 *ness Agreement after the operating agreement with the con-*
24 *tractor has expired according to its terms or is otherwise*
25 *no longer in effect. After expiration of an Emergency Pre-*

1 *paredness Agreement, a contractor may volunteer to con-*
2 *tinue to participate in such an agreement.*

3 (d) *RESOURCES MADE AVAILABLE.*—*The commercial*
4 *transportation resources to be made available under an*
5 *Emergency Preparedness Agreement shall include vessels or*
6 *capacity in vessels, intermodal systems and equipment, ter-*
7 *minal facilities, intermodal and management services, and*
8 *other related services, or any agreed portion of such non-*
9 *vessel resources for activation as the Secretary of Defense*
10 *may determine to be necessary, seeking to minimize disrup-*
11 *tion of the contractor's service to commercial shippers.*

12 (e) *COMPENSATION.*—

13 (1) *IN GENERAL.*—*The Secretary shall include in*
14 *each Emergency Preparedness Agreement provisions*
15 *approved by the Secretary of Defense under which the*
16 *Secretary of Defense shall pay fair and reasonable*
17 *compensation for all commercial transportation re-*
18 *sources provided pursuant to this section.*

19 (2) *SPECIFIC REQUIREMENTS.*—*Compensation*
20 *under this subsection—*

21 (A) *shall not be less than the contractor's*
22 *commercial market charges for like transpor-*
23 *tation resources;*

24 (B) *shall be fair and reasonable considering*
25 *all circumstances;*

1 (C) shall be provided from the time that a
2 vessel or resource is required by the Secretary of
3 Defense until the time that it is redelivered to
4 the contractor and is available to reenter com-
5 mercial service; and

6 (D) shall be in addition to and shall not in
7 any way reflect amounts payable under section
8 3515.

9 (f) *TEMPORARY REPLACEMENT VESSELS.*—Notwith-
10 standing section 2631 of title 10, United States Code, the
11 Act of March 26, 1934 (46 App. U.S.C. 1241–1), section
12 901(a), 901(b), or 901b of the Merchant Marine Act, 1936
13 (46 App. U.S.C. 1241(a), 1241(b), or 1241f), or any other
14 cargo preference law of the United States—

15 (1) a contractor may operate or employ in for-
16 eign commerce a foreign-flag vessel or foreign-flag ves-
17 sel capacity as a temporary replacement for a United
18 States-documented vessel or United States-documented
19 vessel capacity that is activated by the Secretary of
20 Defense under an Emergency Preparedness Agreement
21 or under a primary Department of Defense-approved
22 sealift readiness program; and

23 (2) such replacement vessel or vessel capacity
24 shall be eligible during the replacement period to
25 transport preference cargoes subject to section 2631 of

1 *title 10, United States Code, the Act of March 26,*
2 *1934 (46 App. U.S.C. 1241–1), and sections 901(a),*
3 *901(b), and 901b of the Merchant Marine Act, 1936*
4 *(46 App. U.S.C. 1241(a), 1241(b), and 1241b) to the*
5 *same extent as the eligibility of the vessel or vessel ca-*
6 *capacity replaced.*

7 *(g) REDELIVERY AND LIABILITY OF U.S. FOR DAM-*
8 *AGES.—*

9 *(1) IN GENERAL.—All commercial transportation*
10 *resources activated under an Emergency Preparedness*
11 *Agreement shall, upon termination of the period of*
12 *activation, be redelivered to the contractor in the*
13 *same good order and condition as when received, less*
14 *ordinary wear and tear, or the Secretary of Defense*
15 *shall fully compensate the contractor for any nec-*
16 *essary repair or replacement.*

17 *(2) LIMITATION ON LIABILITY OF U.S.—Except*
18 *as may be expressly agreed to in an Emergency Pre-*
19 *paredness Agreement, or as otherwise provided by*
20 *law, the Government shall not be liable for disruption*
21 *of a contractor's commercial business or other con-*
22 *sequential damages to a contractor arising from acti-*
23 *vation of commercial transportation resources under*
24 *an Emergency Preparedness Agreement.*

1 **SEC. 3517. REGULATORY RELIEF.**

2 (a) *OPERATION IN FOREIGN COMMERCE.*—A con-
3 tractor for a vessel included in an operating agreement
4 under this subtitle may operate the vessel in the foreign
5 commerce of the United States without restriction.

6 (b) *OTHER RESTRICTIONS.*—The restrictions of section
7 901(b)(1) of the Merchant Marine Act, 1936 (46 App.
8 U.S.C. 1241(b)(1)) concerning the building, rebuilding, or
9 documentation of a vessel in a foreign country shall not
10 apply to a vessel for any day the operator of that vessel
11 is receiving payments for operation of that vessel under an
12 operating agreement under this subtitle.

13 **SEC. 3518. SPECIAL RULE REGARDING AGE OF FORMER**
14 **PARTICIPATING FLEET VESSEL.**

15 Sections 3511(b)(3) and 3515(c)(3) shall not apply to
16 a former participating fleet vessel described in section
17 3502(5)(A), during the 30-month period referred to in sec-
18 tion 3502(5)(B)(v) with respect to the vessel, if the Sec-
19 retary determines that the contractor for the vessel has en-
20 tered into an arrangement to obtain and operate under the
21 operating agreement for the former participating fleet vessel
22 a replacement vessel that, upon commencement of such oper-
23 ation, will be eligible to be included in the Fleet under sec-
24 tion 3511(b).

1 **SEC. 3519. AUTHORIZATION OF APPROPRIATIONS.**

2 *There are authorized to be appropriated for payments*
3 *under section 3515, to remain available until expended,*
4 *\$156,000,000 for each of fiscal years 2006 and 2007, and*
5 *such sums as may be necessary for each fiscal year there-*
6 *after through fiscal year 2015.*

7 **SEC. 3520. AMENDMENT TO SHIPPING ACT, 1916.**

8 *Section 9 of the Shipping Act, 1916 (46 App. U.S.C.*
9 *808) is amended by adding at the end the following:*

10 *“(e) Notwithstanding subsection (c)(2), the Merchant*
11 *Marine Act, 1936, or any contract entered into with the*
12 *Secretary of Transportation under that Act, a vessel may*
13 *be placed under a foreign registry, without approval of the*
14 *Secretary, if—*

15 *“(1)(A) the Secretary, with the concurrence of*
16 *the Secretary of Defense, determines that at least one*
17 *replacement vessel of like capability and of a capacity*
18 *that is equivalent or greater, as measured by dead-*
19 *weight tons, gross tons, or container equivalent units,*
20 *as appropriate, is documented under chapter 121 of*
21 *title 46, United States Code, by the owner of the vessel*
22 *placed under the foreign registry; and*

23 *“(B) the replacement vessel is not more than 10*
24 *years of age on the date of that documentation; and*

1 “(2) an operating agreement covering the vessel
2 under the Maritime Security Act of 2003 has ex-
3 pired.”.

4 **SEC. 3521. REGULATIONS.**

5 (a) *IN GENERAL.*—The Secretary of Transportation
6 and the Secretary of Defense may each prescribe rules as
7 necessary to carry out this subtitle and the amendments
8 made by this subtitle.

9 (b) *INTERIM RULES.*—The Secretary of Transpor-
10 tation and the Secretary of Defense may each prescribe in-
11 terim rules necessary to carry out this subtitle and the
12 amendments made by this subtitle. For this purpose, the
13 Secretaries are excepted from compliance with the notice
14 and comment requirements of section 553 of title 5, United
15 States Code. All interim rules prescribed under the author-
16 ity of this subsection that are not earlier superseded by final
17 rules shall expire no later than 270 days after the effective
18 date of this subtitle.

19 **SEC. 3522. REPEALS AND CONFORMING AMENDMENTS.**

20 (a) *REPEALS.*—The following provisions are repealed:

21 (1) Subtitle B of title VI of the Merchant Marine
22 Act, 1936 (46 App. U.S.C. 1187 et seq.).

23 (2) Section 804 of the Merchant Marine Act,
24 1936 (46 App. U.S.C. 1222).

1 (b) *CONFORMING AMENDMENT.*—Section 12102(d)(4)
2 of title 46, United States Code, is amended by inserting
3 “or section 3511(b) of the Maritime Security Act of 2003”
4 after “Merchant Marine Act, 1936”.

5 **SEC. 3523. EFFECTIVE DATES.**

6 (a) *IN GENERAL.*—Except as provided in subsections
7 (b) and (c), this subtitle shall take effect October 1, 2004.

8 (b) *REPEALS AND CONFORMING AMENDMENTS.*—Sec-
9 tion 3522 shall take effect October 1, 2005.

10 (c) *REGULATIONS.*—Section 3521 and this section
11 shall take effect on the date of the enactment of this Act.

12 **Subtitle C—National Defense Tank**
13 **Vessel Construction Assistance**

14 **SEC. 3531. NATIONAL DEFENSE TANK VESSEL CONSTRUC-**
15 **TION PROGRAM.**

16 The Secretary of Transportation shall establish a pro-
17 gram for the provision of financial assistance for the con-
18 struction in the United States of a fleet of up to 5 privately
19 owned product tank vessels—

20 (1) to be operated in commercial service in for-
21 eign commerce; and

22 (2) to be available for national defense purposes
23 in time of war or national emergency pursuant to an
24 Emergency Preparedness Plan approved by the Sec-

1 *retary of Defense pursuant to section 3533(e) of this*
2 *subtitle.*

3 **SEC. 3532. APPLICATION PROCEDURE. -**

4 *(a) REQUEST FOR PROPOSALS.—Within 90 days after*
5 *the date of the enactment of this subtitle, and on an as-*
6 *needed basis thereafter, the Secretary, in consultation with*
7 *the Secretary of Defense, shall publish in the Federal Reg-*
8 *ister a request for competitive proposals for the construction*
9 *of new product tank vessels necessary to meet the commer-*
10 *cial and national security needs of the United States and*
11 *to be built with assistance under this subtitle.*

12 *(b) QUALIFICATION.—Any citizen of the United States*
13 *or any shipyard in the United States may submit a pro-*
14 *posal to the Secretary of Transportation for purposes of*
15 *constructing a product tank vessel with assistance under*
16 *this subtitle.*

17 *(c) REQUIREMENT.—The Secretary, with the concur-*
18 *rence of the Secretary of Defense, may enter into an agree-*
19 *ment with the submitter of a proposal for assistance under*
20 *this subtitle if the Secretary determines that—*

21 *(1) the plans and specifications call for construc-*
22 *tion of a new product tank vessel of not less than*
23 *35,000 deadweight tons and not greater than 60,000*
24 *deadweight tons, that—*

1 (A) will meet the requirements of foreign
2 commerce;

3 (B) is capable of carrying militarily useful
4 petroleum products, and will be suitable for na-
5 tional defense or military purposes in time of
6 war, national emergency, or other military con-
7 tingency; and

8 (C) will meet the construction standards
9 necessary to be documented under the laws of the
10 United States;

11 (2) the shipyard in which the vessel will be con-
12 structed has the necessary capacity and expertise to
13 successfully construct the proposed number and type
14 of product tank vessels in a reasonable period of time
15 as determined by the Secretary of Transportation,
16 taking into consideration the recent prior commercial
17 shipbuilding history of the proposed shipyard in de-
18 livering a vessel or series of vessels on time and in ac-
19 cordance with the contract price and specifications;
20 and

21 (3) the person proposed to be the operator of the
22 proposed vessel possesses the ability, experience, finan-
23 cial resources, and any other qualifications deter-
24 mined to be necessary by the Secretary for the oper-
25 ation and maintenance of the vessel.

1 (d) *PRIORITY.—The Secretary—*

2 (1) *subject to paragraph (2), shall give priority*
3 *consideration to a proposal submitted by a person*
4 *that is a citizen of the United States under section 2*
5 *of the Shipping Act, 1916 (46 App. U.S.C. 802); and*

6 (2) *may give priority to consideration of pro-*
7 *posals that provide the best value to the Government,*
8 *taking into consideration—*

9 (A) *the costs of vessel construction; and*

10 (B) *the commercial and national security*
11 *needs of the United States.*

12 **SEC. 3533. AWARD OF ASSISTANCE.**

13 (a) *IN GENERAL.—If after review of a proposal, the*
14 *Secretary determines that the proposal fulfills the require-*
15 *ments under this subtitle, the Secretary may enter into a*
16 *contract with the proposed purchaser and the proposed*
17 *shipyard for the construction of a product tank vessel with*
18 *assistance under this subtitle.*

19 (b) *AMOUNT OF ASSISTANCE.—The contract shall pro-*
20 *vide that the Secretary shall pay, subject to the availability*
21 *of appropriations, up to 75 percent of the actual construc-*
22 *tion cost of the vessel, but in no case more than \$50,000,000*
23 *per vessel.*

24 (c) *CONSTRUCTION IN UNITED STATES.—A contract*
25 *under this section shall require that construction of a vessel*

1 *with assistance under this subtitle shall be performed in a*
2 *shipyard in the United States.*

3 *(d) DOCUMENTATION OF VESSEL.—*

4 *(1) CONTRACT REQUIREMENT.—A contract under*
5 *this section shall require that, upon delivery of a ves-*
6 *sel constructed with assistance under the contract, the*
7 *vessel shall be documented under chapter 121 of title*
8 *46, United States Code with a registry endorsement*
9 *only.*

10 *(2) RESTRICTION ON COASTWISE ENDORSE-*
11 *MENT.—A vessel constructed with assistance under*
12 *this subtitle shall not be eligible for a certificate of*
13 *documentation with a coastwise endorsement.*

14 *(3) AUTHORITY TO REFLAG NOT APPLICABLE.—*
15 *Section 9(e) of the Shipping Act, 1916, (46 App.*
16 *U.S.C. 808(e)) shall not apply to a vessel constructed*
17 *with assistance under this subtitle.*

18 *(e) EMERGENCY PREPAREDNESS AGREEMENT.—*

19 *(1) IN GENERAL.—A contract under this section*
20 *shall require that the person who will be the operator*
21 *of a vessel constructed with assistance under the con-*
22 *tract shall enter into an Emergency Preparedness*
23 *Agreement for the vessel under section 3516.*

24 *(2) TREATMENT AS CONTRACTOR.—For purposes*
25 *of the application, under paragraph (1), of section*

1 3516 to a vessel constructed with assistance under
2 this subtitle, the term “contractor” as used in section
3 3516 means the person who will be the operator of a
4 vessel constructed with assistance under this subtitle.

5 (f) *ADDITIONAL TERMS.*—The Secretary shall incor-
6 porate in the contract the requirements set forth in this sub-
7 title, and may incorporate in the contract any additional
8 terms the Secretary considers necessary.

9 **SEC. 3534. PRIORITY FOR TITLE XI ASSISTANCE.**

10 Section 1103 of the Merchant Marine Act, 1936 (46
11 App. U.S.C. 1273) is amended by adding at the end the
12 following:

13 “(i) *PRIORITY.*—In guaranteeing and entering com-
14 mitments to guarantee under this section, the Secretary
15 shall give priority to guarantees and commitments for ves-
16 sels that are otherwise eligible for a guarantee under this
17 section and that are constructed with assistance under sub-
18 title C of the Maritime Security Act of 2003.”.

19 **SEC. 3535. AUTHORIZATION OF APPROPRIATIONS.**

20 There are authorized to be appropriated to the Sec-
21 retary to carry out this subtitle a total of \$250,000,000 for
22 fiscal years after fiscal year 2004.

1 ***Subtitle D—Maritime***
2 ***Administration Authorization***

3 ***SEC. 3541. AUTHORIZATION OF APPROPRIATIONS FOR MAR-***
4 ***ITIME ADMINISTRATION FOR FISCAL YEAR***
5 ***2004.***

6 *Funds are hereby authorized to be appropriated for fis-*
7 *cal year 2004, to be available without fiscal year limitation*
8 *if so provided in appropriations Acts, for the use of the De-*
9 *partment of Transportation for the Maritime Administra-*
10 *tion as follows:*

11 (1) *For expenses necessary for operations and*
12 *training activities, \$104,400,000, of which*
13 *\$13,000,000 is for capital improvements at the*
14 *United States Merchant Marine Academy.*

15 (2) *For expenses under the loan guarantee pro-*
16 *gram authorized by title XI of the Merchant Marine*
17 *Act, 1936 (46 App. U.S.C. 1271 et seq.), \$39,498,000,*
18 *of which—*

19 (A) *\$35,000,000 is for the cost (as defined*
20 *in section 502(5) of the Federal Credit Reform*
21 *Act of 1990 (2 U.S.C. 661a(5))) of loan guaran-*
22 *tees under the program; and*

23 (B) *\$4,498,000 is for administrative ex-*
24 *penses related to loan guarantee commitments*
25 *under the program.*

1 (3) *For expenses to dispose of obsolete vessels in*
2 *the National Defense Reserve Fleet, \$20,000,000.*

3 **SEC. 3542. AUTHORITY TO CONVEY VESSEL USS HOIST**
4 **(ARS-40).**

5 (a) *IN GENERAL.*—*Notwithstanding any other law, the*
6 *Secretary of Transportation may convey the right, title,*
7 *and interest of the United States Government in and to the*
8 *vessel USS HOIST (ARS-40), to the Last Patrol Museum,*
9 *located in Toledo, Ohio (a not-for-profit corporation, in this*
10 *section referred to as the “recipient”), for use as a military*
11 *museum, if—*

12 (1) *the recipient agrees to use the vessel as a*
13 *nonprofit military museum;*

14 (2) *the vessel is not used for commercial trans-*
15 *portation purposes;*

16 (3) *the recipient agrees to make the vessel avail-*
17 *able to the Government when the Secretary requires*
18 *use of the vessel by the Government;*

19 (4) *the recipient agrees that when the recipient*
20 *no longer requires the vessel for use as a military mu-*
21 *seum—*

22 (A) *the recipient will, at the discretion of*
23 *the Secretary, reconvey the vessel to the Govern-*
24 *ment in good condition except for ordinary wear*
25 *and tear; or*

1 (B) if the Board of Trustees of the recipient
2 has decided to dissolve the recipient according to
3 the laws of the State of New York, then—

4 (i) the recipient shall distribute the
5 vessel, as an asset of the recipient, to a per-
6 son that has been determined exempt from
7 taxation under the provisions of section
8 501(c)(3) of the Internal Revenue Code, or
9 to the Federal Government or a State or
10 local government for a public purpose; and

11 (ii) the vessel shall be disposed of by a
12 court of competent jurisdiction of the county
13 in which the principal office of the recipient
14 is located, for such purposes as the court
15 shall determine, or to such organizations as
16 the court shall determine are organized ex-
17 clusively for public purposes;

18 (5) the recipient agrees to hold the Government
19 harmless for any claims arising from exposure to as-
20 bestos, polychlorinated biphenyls, or lead paint after
21 conveyance of the vessel, except for claims arising
22 from use by the Government under paragraph (3) or
23 (4); and

24 (6) the recipient has available, for use to restore
25 the vessel, in the form of cash, liquid assets, or a writ-

1 *ten loan commitment, financial resources of at least*
2 *\$100,000.*

3 *(b) DELIVERY OF VESSEL.—If a conveyance is made*
4 *under this section, the Secretary shall deliver the vessel at*
5 *the place where the vessel is located on the date of enactment*
6 *of this Act, in its present condition, and without cost to*
7 *the Government.*

8 *(c) OTHER UNNEEDED EQUIPMENT.—The Secretary*
9 *may also convey any unneeded equipment from other vessels*
10 *in the National Defense Reserve Fleet in order to restore*
11 *the USS HOIST (ARS-40) to museum quality.*

12 *(d) RETENTION OF VESSEL IN NDRF.—*

13 *(1) IN GENERAL.—The Secretary shall retain in*
14 *the National Defense Reserve Fleet the vessel author-*
15 *ized to be conveyed under subsection (a), until the*
16 *earlier of—*

17 *(A) 2 years after the date of the enactment*
18 *of this Act; or*

19 *(B) the date of conveyance of the vessel*
20 *under subsection (a).*

21 *(2) LIMITATION.—Paragraph (1) does not re-*
22 *quire the Secretary to retain the vessel in the Na-*
23 *tional Defense Reserve Fleet if the Secretary deter-*
24 *mines that retention of the vessel in the fleet will pose*
25 *an unacceptable risk to the marine environment.*

Amend the title so as to read: “A bill to authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.”.

Union Calendar No. 53

108TH CONGRESS
1ST SESSION

H. R. 1588

[Report No. 108-106]

A BILL

To authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2004, and for other purposes.

MAY 16, 2003

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed